

NEWS IN SUMMARY

City council outlaws a dustbin

Peterborough City Council has refused to empty a dustbin bought by Mrs Olive Hawkins because it is made of plastic and has only one carrying handle (our Peterborough correspondent writes). The £13 bin, the most expensive in the shop, was chosen by Mrs Hawkins, aged 35 and a mother of two, because of its modern design with a tight-fitting lid and wheels.

But the bin has failed to satisfy the city council which has warned Mrs Hawkins that she faces a fine of £100 unless it is replaced within 14 days by an officially approved galvanized iron model with two handles.

Mrs Hawkins, an electrician's wife, said at her home in Holcroft, Orton Malborne, near Peterborough yesterday: "I was told that because the bin had wheels it might run away with the dustmen."

Minister praises works council

Merseyside workers were described as a model for British industry yesterday, by Mr John Nott, Secretary of State for Defence.

He was visiting the Mersey torpedo factory in Neston, Wirral, where workers and staff have together formed a staff council, abandoning a trades union negotiation system. Representatives of factory floor workers and management are elected on to the council to help with the running of the factory.

Mr Nott said he was impressed by the working relations between staff and workers.

Farmer fined for B & B sign

Supporters of a farmer from mid Wales demonstrated outside a magistrate's court at Welshpool, Powys yesterday when he was fined £100 for displaying a bed and breakfast sign at a traffic roundabout without permission.

John Emberton, of Tynyllwyn Farm, Welshpool, pleaded guilty.

Mr Bennett Thistlethwaite, Emberton's solicitor, said: Emberton had been made a scapegoat and would be lodging an appeal against refusal of planning permission with a view to securing a public hearing.

Commander is reprimanded

Commander Robert Laverty of the Royal Navy survey ship, HMS Beagle, which grounded on Arklow Bank in the Irish Sea last October, was severely reprimanded by a court martial in Portsmouth yesterday.

He pleaded guilty to negligently performing his duty by failing to take all proper steps to ensure the safe conduct of his ship.

Pringle back at work

Lieutenant-General Sir Stuart Pringle, who survived an IRA bomb attack in October, is returning to duty today. Sir Stuart, Commandant General of the Royal Marines, had part of right leg amputated after his car was blown up.

Sixth typhoid case

Another case of typhoid has been confirmed in a boy, aged one, among four related Asian families in Southampton. He is the sixth child to contract typhoid. Another nine are under observation.

Deer crash fatality

Miss Karen Burrell, aged 20, of Woodbridge, was killed on the A12 at Darham, Suffolk, yesterday when the motor-cycle she was riding ploughed into a herd of deer. Mr Stephen Macartney, aged 22, the rider, was unhurt.

Unity not just around corner, Vatican says

From John Earle, Vatican City

The Vatican has cautioned Roman Catholics against believing that unity with the Anglicans is just around the corner as a result of the work of the international commission for dialogue between the two communities. The commission, in its final report, envisages the possibility of Anglicans acknowledging a "universal primacy" for the Pope.

The Vatican published a letter yesterday from Cardinal Joseph Ratzinger, Prefect of the Congregation for the Doctrine of the Faith, to Mr Alan Clark, the Roman Catholic co-chairman of the commission, saying: "It is not yet possible to affirm that a really substantial agreement has been reached in all the questions studied by the commission."

The report was nevertheless "an important ecumenical event, such as to constitute a significant step towards reconciliation between the Anglican Communion and the Catholic Church."

The congregation found, after studying the report, that "there are various points, held as dogma by the Catholic Church, which cannot be accepted as such, or are in a position of being accepted only in part, by our brethren of the Anglican Church."

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Cardinal Ratzinger observed that other questions, besides those studied by the commission, needed to be examined "in order to achieve a definite agreement about the nature of true reconciliation." The congregation believed that the dialogue thus begun should be pursued.

A Roman Catholic theologian in Rome, Annio Innocenti, in a comment on the commission's work, said: "For some time Catholics have been deluding themselves about Anglicans." In 1957 Archbishop Fisher of Canterbury offered Pope Pius XII the "presidency" of a union among the principal Anglican churches. Pope Pius refused, he said, because he did not want to arouse illusions.

Now "they have come out by declaring their readiness to recognise an honorary primacy to the Roman Pontiff. Let he who wishes be deluded."

The Archbishop of Canterbury and his staff have known since Christmas that the Sacred Congregation for the Doctrine of the Faith had reservations, and fears were expressed since that the report itself might not receive official permission for publication, our Religious Affairs Correspondent writes.

Several efforts were made to persuade Pope John Paul in favour of publication. It was expected that the final report by the Anglican-Roman Catholic International Commission would appear with an official note of reservation by the sacred congregation, but that was not acceptable to the Archbishop of Canterbury.

Both sides reserved the right, therefore, to make a critical comment immediately after publication, and the Archbishop of Canterbury's comment was issued yesterday. He said that the Anglican Communion was not about to accept the First Vatican Council's declaration on papal infallibility.

By a strange twist the action proposed by the Vatican will give an opportunity for every one of the thousands of bishops throughout the Roman Catholic Church, to express a view on the theology of the papacy.

Ratzinger's full text

The following is the official Vatican text of the letter sent by Cardinal Ratzinger to Mr Alan Clark:

My Lord Bishop, After 12 years of work together, the Anglican-Roman Catholic International Commission (ARCIC) composed of bishops and theologians appointed by both communions, sent to their respective authorities a final report which sets forth the results obtained through their theological research and continued prayer, on the important questions of eucharistic doctrine, ministry and ordination, and authority in the Church.

At the request of the Holy Father, the Congregation for the Doctrine of the Faith has studied the ARCIC final report and believes that it is an important ecumenical event which constitutes a significant step towards reconciliation between the Anglican Communion and the Catholic Church.

In the same spirit of sincerity that marks the work of ARCIC, and with the desire to contribute to that clarity so indispensable for genuine dialogue, the congregation must also express its view that it is not yet possible to say that an agreement which is truly "substantial" has been reached on the totality of the questions studied by the commission.

In effect, as the report itself indicates, there are several points, held as dogmas by the Catholic Church, which are not able to be accepted as such, or

are able to be accepted only in part, by our Anglican brethren. Furthermore, some formulations in the ARCIC report can result in misunderstandings and interpretations, while others do not seem able to be easily reconciled with Catholic doctrine. Finally, while recognizing that the mission of the commission was legitimately limited to essential questions which have been the focus of serious differences between our two communions in the past, one should note that other questions must be examined as well, together and in the same spirit, in order to arrive at a definitive agreement capable of guaranteeing true reconciliation.

This is why, in the judgment of our congregation, everything should be done to ensure that the dialogue so happily undertaken should continue, that there be further study, especially of the points where the results obtained through the ARCIC final report to all of the episcopal conferences at its contribution to the continuation of this dialogue.

United with you in prayer that the Holy Spirit may inspire our dialogue, we commend to you the ARCIC final report to all of the episcopal conferences at its contribution to the continuation of this dialogue.

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Court told about 50 marks of violence on baby

A pathologist described the savage injuries he found on Donna Louise Fidler, aged 18 months, who died, it is alleged, after being kicked around a bedroom "like a rag doll" by a schoolboy aged 14, in the hearing of Sheffield Crown Court, that the boy's girlfriend, aged 16, joined in the attack and punched the baby.

Mr and Mrs Raymond Fidler, the baby's parents, were in court when Professor Alan Usher, the pathologist, told the jury of 50 marks of violence he found

An extra week for health supplement

The Times Health Supplement, whose closure was announced by Times Newspapers Limited on Monday, has been reprieved.

Agreement was reached between the company and the National Union of Journalists to publish its week in the hope a buyer will be found.

The company decided to close the supplement, launched last October, because it was losing £2,000 a week. Mr Noel Howell, national organiser for the NUJ, said yesterday: "We would hope that this magazine can still be saved by a new publisher."

Journalists have a duty to protect the freedom of their media even though they were not perfect, Mr Harry Conroy, president of the National Union of Journalists, told the union's annual delegate meeting which opened at the University of Warwick, yesterday.

In his printed address, Mr Conroy said: "Media freedom is threatened by Government, by proprietors, by the misuse of new technology, by the uncontrolled growth of free newspapers and by bingos."

He said government attacks on media freedom could be seen in the new contempt law in England which inhibited court reporting and also in attacks by ministers on the union's broadcasting members' handling of Northern Ireland. "Proprietors, too, have shown a greater tendency to

attempt to dictate the political views of their publications." He said that a basic requirement of a free media was access for differing points of view. Local radio had attempted to ensure that.

Crime and punishment



Sir Peter Matthews, Surrey's Chief Constable, holds a 10ft telex roll listing the alleged crimes of one man arrested yesterday. Sir Peter called for the return of hanging after his annual report showed a record number of offences by people with firearms.

Squalor in Britain's prisons

By Stewart Tendler, Crime Reporter

Life in many prisons can be degrading and brutalising, according to the picture painted yesterday in the independent prison inspectorate's first annual report.

A third of all prisoners live two or three to cells designed for one, sewage foods wings; baths and kitchens do not work properly; and work was non-existent or scarce, leaving men idle in their cells.

The Government is committed to building eight more prisons by 1985, and improvements to present buildings will add 5,000 places, but the report says that that will not abate the problems. "The vulnerability of prison accommodation is so great and the decay of the existing estate so rapid that these projects cannot be expected to add significantly to the existing stock."

The long-term solution to the overcrowding must be to reduce the prison population of 44,000. England and Wales to 37,000. In the short term, more prisoners on relatively short sentences of three to seven years in local prisons could be moved to training prisons which normally take offenders with longer sentences.

The Inspectorate, formed on the recommendation of the May committee on the prison service, examined 17 prisons last year during full inspections, and carried out unannounced inspections at another 10. Its findings on individual prisons are being published as separate reports, but overall they identified three important areas of concern: overcrowding, work and repairs.

The report, by Mr W. A. Brisks, the deputy chief inspector, says that overcrowding largely concerns local prisons where they found 5,674 prisoners in six prisons, Gloucester, Leeds, Durham, Brixton, Manchester and Birmingham, living in space for 3,548 prisoners. The inspections "brought home with great force the appalling conditions in which the inmates of these prisons are required to live."

The report says: "If any reader unfamiliar with the prison system finds it difficult to picture the squalor in which many inmates are required to live, let him imagine himself obliged to stay in a hotel so overcrowded that he has to share his room with two complete strangers. The machinery on which time could be rented, thus removing the onerous capital investment required to launch a newspaper."

On free newspapers, Mr Conroy said that if we were to move towards publications that relied purely on advertising for income and being directly delivered, whether people wanted them or not, editorial safeguards were required.

In Glasgow, a big free newspaper was planned that would almost certainly take advertising revenue from the city's only remaining evening newspaper. "What will this free newspaper give back to the community? Will it act as a watchdog over abuse of power? We suspect not."

He said new technology had been hailed as the saviour of the press, it could be, but not if it was merely introduced to increase profits.

Recluse ignores inquiry into home purchase

From Our Correspondent Leominster

A woman recluse failed to appear at a public inquiry yesterday into a council's plan to erect her from her listed, timber-framed home in Leominster, Hereford and Worcester.

While officials discussed why they wanted to buy the house compulsorily Mrs Barbara Freeth, aged 54, stayed at home a few hundred yards away from the inquiry at the town council chamber.

For three years Mrs Freeth has ignored visits from council officials about compulsory purchase plans.

The inquiry inspector was told that the council considered the building to be a public danger because of holes in the roof and a crumbling facade.

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Declaration of war on IRA by Garda

From Peter Evans Bantry, co Cork

An unprecedented declaration of war on the IRA and the Irish National Liberation Army was made yesterday by the leadership of middle-ranking police officers in the Irish Republic.

Mr Philip Callanan, president of the Association of Garda Sergeants and Inspectors, told Mr Sean Doherty, the Minister of Justice: "You can be assured of our total support in any measures you may wish to take to defeat these evil men."

The change in policy to give public leadership to a campaign against terrorism comes after the deaths of association members and recent arms cache finds and arrests. Mr Callanan's attack was said by association officials to have made him a possible security risk and armed guards were inside and outside the conference venue yesterday.

"For the past six or seven years we have seen the violence spill over into this part of the island. The brutal death of six of our members is terrible testimony to this," he said.

"Add to this the deaths of over 100 of our colleagues in the North and others in Great Britain and we can see the havoc wreaked by these criminals. We must also remember the hundreds of innocent civilians who have perished in this senseless era of violence."

Mr Callanan disclosed that between 1970 and 1980 recorded crimes committed with the use of arms rose from 54 to 286, a 430 per cent increase. That was well over twice the increase in recorded crime in the same period.

Mr Callanan said: "There is now a significant decline in support and success for the IRA. At last it seems that the vast majority of the Irish people are coming to the realization that the IRA has nothing to offer but strife, murder and pillage."

CA crowded political programme will mean it is impossible for Mrs Margaret Thatcher and Mr Charles Haughey, the Republic's Prime Minister, to meet to discuss Northern Ireland until the summer (Ian Murray writes from Brussels).

Asked about a future meeting, Mrs Thatcher said that one would take place in the normal way that bilateral meetings between Britain and "the Irish Free State" were always held. It was, however, impossible to arrange "any meeting" during May or June, so July was the earliest possible date.

The government of the Republic has nominated Mr Richard Burke, an Opposition deputy to be its new European Commissioner.

An RUC policeman was seriously injured in west Belfast yesterday when gunmen forced at his car as he was about to pick up a cleaner and take her to work. (Richard Ford writes)

Labour students take over NUS executive

By Ian Bradley

Britain's one million students are likely to find themselves more closely tied to the Labour Party and the trade union movement as a result of elections to the National Union of Students' executive yesterday.

The presidency and most of the other posts went to Labour candidates, ending a period of non-party rule.

The new president is Mr Neil Stewart, aged 26, an Aberdonian educated at Aberdeen University and Aberdeen College of Commerce, where he has just completed a postgraduate course in communications.

He defeated his main rival, Mr Douglas Herd, a communist and the Left Alliance candidate by 347 votes to 193, one of the biggest majorities of recent NUS elections.

The Left Alliance, a broad coalition of Communists, Liberals and others, has dominated the union for the past six years and has supplied the last three NUS presidents: Miss Sue Slipman, now a leading member of the SDP, Mr Trevor Phillips, and Mr David Aarnovich.

Grants victory

The Architectural Association has won a 10-year battle to get its undergraduate course designated by the Government as the purpose of mandatory student awards (Our Education Correspondent writes).

From September, all British and EEC students at the association's school of architecture will receive a means-tested maintenance grant of up to £1,900, plus £480 toward the cost of tuition fees. They will still have to find a further £2,770 out of their own pockets.

Egon Schiele drawing fetches £45,360

By Geraldine Norman, Sale Room Correspondent

Impressionist and modern drawings for sale at Christie's yesterday produced one or two surprise high prices. An Egon Schiele drawing in tempera and pencil of a Russian prisoner of war dated 1916, sold for £45,360 (estimate £20,000 to £35,000).

A rare watercolour by Berthe Morisot of a lady seated in a field playing with a child, reputed to depict her sister, Madame Pomillon, sold for £42,120 (estimate £24,000 to £28,000), a price that would be considered healthy for a Morisot oil, let alone a watercolour.

The drawings sale was 16 per cent unsold and a sale of middle range paintings, drawings and sculpture was left 27 per cent unsold. The market is not as buoyant as last year, but there were still many moneyed buyers. They were mainly European. There was

Science report

Surprising sights at galactic centre

By the Staff of "Nature"

The centre of our galaxy, the Milky Way, is obscured by clouds and clouds of dust. Ordinary light emitted at the centre is dimmed 100,000 million times before it reaches us in the solar system, out on the edge of the Milky Way. But at some wavelengths, notably in the "infrared" ("heat" radiation) the dust is conveniently transparent.

Now a team of astronomers from the Royal Greenwich Observatory working at the Anglo-Australian Observatory in New South Wales has capitalized on the fact, and produced the best yet images of the galactic centre in infra-red light. The image contains two surprises: two clouds of hot material sitting close to an object best known to radio astronomers as Sagittarius A West, an intense radio emitter that is believed to be the true centre of the galaxy.

The clouds are close together in astronomical terms, about half a light year apart, but the observations cannot tell if the clouds sit exactly astride the radio source, or are to one side of it. The question is "interesting, because some theories suggest that the galactic centre is a miniature version of much more intense "radio galaxies", which usually show a double structure, with emitting regions on either side of some central power source.

However, radio observations of the galactic centre have not detected any double structure, so the infrared astronomers prefer to leave the question open. There are two possible interpretations of the data, they say. The first is that the objects are super-giant stars, the biggest and brightest of all star types.

The second is that they are clouds of "ionized" hydrogen in which the electron has been stripped from the proton nucleus of the hydrogen atom. Such hydrogen clouds, however, must be illuminated by some brilliant source of light. Asked about the radiation of a newly formed star to keep them ionized, and the question then becomes, what is that source of light?

One possible explanation could be that there is so much matter near the galactic centre that new stars are forming quite frequently from the accumulated gas and dust; and another turns back to the double source theory, and suggests that the central object itself illuminates the clouds. Observations distinguishing the various theories are planned. (Source: Nature vol 296 p 333 (March 25, 1982) © Nature-Times News Service (1982))

THE STYLE IS VINTAGE BUT NOT THE PRICE

Also Old Coronation Ruby and finest Old Tawmies.

NOVA Tawmies

سكينة محمد الامل

Training boards to go without alternative plan

By Anthony Beving, Political Correspondent

The Government is preparing to abolish 16 industrial training boards, with no detailed check on the voluntary arrangements that are to replace them.

Mr Barry Jones, an Opposition spokesman, said yesterday that the decision to axe the boards was an act of blind vandalism.

The initial decision to abolish them was announced last November by Mr Norman Tebbit, Secretary of State for Employment. He said then: "I am satisfied that the training requirements of the sectors concerned can be met effectively on a voluntary basis with the cost and bureaucracy."

He also pointed out that he would close the 16 statutory boards only when he was satisfied with the substitute, voluntary arrangements.

Mr Peter Morrison, Under-Secretary of State at the Department of Employment, announced in the Commons last week that the first batch of training boards should go early in May and the remainder in June.

But when Mr Jones asked for information on the non-statutory system he was told in a Commons written reply on Monday: "Comprehensive information in the form requested is not being collected by any department or by the Manpower Services Commission."

The uncollected information included details of estimated income, the number of employees to be covered by the new arrangements, and of professional training staff to be employed.

Mr Morrison said in a Commons reply last week: "As a general rule, we expect non-statutory training organizations to set up adequate machinery to monitor the quantity of training to ensure that skill shortages do not develop, to check that standards of training are being maintained, and to keep these standards up to date to meet changing needs."

"The organizations should have the active support of their industries and should be appropriately financed and staffed."

Mr Jones said yesterday that the department's complete ignorance of the new organizations spoke for itself. "Monday's non-answer was, effectively, checkmate. They know nothing."

He added: "The Government is recklessly demolishing a structure that delivered skills to industry, and it has so far provided very little evidence that the successor bodies can meet the demands of industry."

The Opposition's criticism seems to be supported by the CBI which said in a recent newsletter: "Accepted wisdom appears to be that, at best, only about a third of the non-statutory bodies will be effective, and that there is no focal point for these arrangements."

The concern of the CBI is that, even if Peter Morrison and the officials of his department are paper tigers, ministers may be forced to go back on their decision to abolish the statutory arrangements in certain sectors.

There is also a fear, shared by Mr Jones and others in the Manpower Services Commission, that the minister will go ahead with abolition regardless of the quality of the replacement arrangements, and that the Government's new training initiative will suffer as a result.

The lack of government information on the training programme has been illustrated by the fact that Mr Morrison was only last week unwilling to provide Mr Jones with the number of training officers employed by the present training boards.

In fact, Mr Jones has since discovered for himself that the 16 training boards which are to be abolished employ about 519 training officers compared with 910 in 1979, and it is estimated that they will be replaced by 200 voluntary organization staff working in 100 groupings.

The first batch for abolition is expected to include: the air transport and travel; carpet, chemical and allied products; footwear, leather and furskin; iron and steel; knitting, lace and net; man-made fibres producing; and wool, jute and flax training boards.

The second batch is expected to include: ceramics, glass and mineral products; cotton and allied textiles; distributive, food, drink and tobacco; furniture and timber; paper and paper products; printing and publishing; and shipbuilding. Seven other statutory boards will continue to exist.

Foxhunting debate likely to be fierce

By Hugh Clayton, Environment Correspondent

Each side in the bitter argument over hunting needs to win tonight's vote by county councillors in Leicestershire. They are considering motions for and against allowing hounds to cross some of the best hunting country in Europe.

Neither hunt supporters nor those they dub "the antis" were confident yesterday of victory. The 44 Conservative, 42 Labour, five Liberal, and one Independent councillors have faced intense lobbying in recent weeks.

Mr Richard Course, executive director of the League Against Cruel Sports, said yesterday: "It looks like being a real cliff-hanger." He agreed that the effect of a vote to ban hunting on the 10,000 acres of rural land owned by the county council might be mainly symbolic. That is because much of the land consists of smallholdings for which the sporting rights are held by the tenants.

The symbolic impact of a ban in Leicestershire, however, would be immense because it would demonstrate the ability of opponents to mobilize effective political support in such a famous hunting region. Some of the most celebrated, active, and expensive hunts in Britain, including the Quorn and the Pynchley, would lose part of their country if the County Council imposes a ban.

"If we can punch them in the guts on their own ground it will be the end of foxhunting," Mr Course said. The league is already lobbying for similar action on the larger council-owned estates in the important neighbouring hunting counties of Cambridgeshire and Northamptonshire.

Mr Charles Wrigley, a Labour Councillor from Loughborough, will propose near the end of the council meeting that "foxhunting be prohibited on land in the ownership of the county council, except to the extent that such a prohibition would be contrary to any terms regulating the use or occupation of county council land."

However, councillors will first debate a much longer motion put down by Mr Julian de Lisle, Conservative, who hunted until five years ago and still subscribes to the British Field Sports Society.

NEWS IN SUMMARY

Tories fear big local poll losses

Conservative leaders acknowledged yesterday that the party may suffer big losses in the local elections in May (David Walker writes).

Mr Cecil Parkinson, party chairman, said the Conservatives were defending 2,000 seats, many of which had been won four years ago at the height of the Labour Government's unpopularity.

Speaking at a reception to mark the opening of the election season, Mr Michael Heseltine, Secretary of State for the Environment, said voters might be preoccupied with central government issues and miss the "better deal" offered by conservatives on local councils. He said the balance of ratepayers' interests lay with the Conservatives.

Ex-porter sold stolen paintings

A former Sotheby's porter who stole pictures from his employers sold them through Christie's.

Ian Lane, of Barking, took water colours from the W A Brandt collection and drawings of the late Laura Knight, which were uncatalogued and awaiting valuation for probate.

But when Lane took £15,000 worth of paintings to Christie's a member of the Brandt family recognized them and told the police, Knightsbridge Crown Court, London, was told yesterday. About £4,500 worth of pictures were sold before Lane's arrest.

Lane, who admitted four counts of theft and four of obtaining cash by deception, was sent to prison to serve six months of a two-year sentence, the rest suspended.

Forsyth divorce

The eight-year marriage of Bruce Forsyth, the television personality, and Anthea Redfern was ended in the London Divorce Court yesterday. Mr Forsyth, aged 53, brought the uncontested petition, naming Miss Redfern's friend, Mr Freddie Hoffman, an hotelier.

£40,000 for charity

The Northern Ireland Office has given an interim grant of £40,000 towards the work of the NSPCC in Ulster.



Members of the Royal Academy's Hanging and Selection Committee (left to right) Rodrigo Moynihan, Philip Sutton, Sir Hugh Gasson, Anthony Whishaw, and Anthony Green discussing yesterday the summer show. Contenders included a painting of the Prince and Princess of Wales.

Walker's dilemma in Brussels

Farmers hope for price rises from EEC

By John Young, Agriculture Correspondent

The 10 EEC agriculture ministers meet in Brussels today in another attempt to resolve the issue of this year's food price increases.

Even without the complication of Britain's contribution to the Community budget, the pressures are probably greater, and the divisions deeper than on any previous such occasion. The Association of European Farmers' Unions (COFEA) has demanded a 16.3 per cent increase for those commodities governed by the common agricultural policy (CAP).

The 16.3 per cent increase requested by the farm unions would cause retail prices to go up by about 2.5 per cent and would raise the retail price index (RPI) by perhaps one half of 1 per cent.

Farmers had played a leading role in containing food price inflation. Sir Richard said in a period when the RPI had risen by 51 per cent, food prices increased by only 37 per cent, and of that only 13 per cent was caused by a rise in the cost of raw materials.

A similarly spirited defence was heard from Herr Constantin Heereman, president of the European Farmers' Association, at the opening of the annual "Green Week" food fair in Berlin in January. Unemployment in agriculture was rising as a result of continued pressure on farm prices, and to endanger even

more jobs would be contemptible, he said. He also claimed that there was an enormous gap between farmers' earnings and those of what he termed "comparable groups".

Be that as it may, there is a danger of an increasing gap between what farmers need, or say they need, to cover their costs, and what the public is prepared to pay.

Despite a small rise last year, farm incomes are said to have fallen by half in real terms since the mid-1970s. But equally, in recession, the public's purchasing power could not be expected to absorb the sort of increases in prices which farmers enjoyed in those years.

What would probably help farmers just as much as a big price increase is a big cut in interest rates. The ECU was told at its annual meeting in February that its members' debts totalled about £4,000m and were rising at the rate of £2m a day. The situation is as bad, if not worse, in other countries; Denmark, which has seen a spate of bankruptcies, is expected at the talks to ask the EEC to subsidize interest rates.

Mr Peter Walker, Minister of Agriculture, is inevitably torn between his wish to get a reasonable deal for British farmers and his reluctance to be seen to be taking their side at the expense of the consumer. Unless and until agreement is reached on the

budget issue, moreover, his hands are tied.

The British view is that Britain's budget contribution and food prices are inextricably linked simply because so much of the budget expenditure, about two thirds, goes on the CAP. If food support prices go up, then Britain, which is said to have the smallest and most efficient agricultural sector in the EEC, will inevitably find itself paying more and getting less.

But the contention that the British taxpayer should not have to foot the bill for keeping what are contemptuously referred to as peasant farmers on the land in France, Italy, and even Germany is, not surprisingly, viewed differently in those countries.

In the rural regions of France the term *peasant*, far from being derogatory, suggests an established way of life that helps to maintain many old and cherished values. In Bavaria many mountain farms have been owned by the same family for 500 or 600 years.

For political reasons their livelihood is not going to be jeopardized, and it is hard to see how Britain's budget contribution would be reduced by subsidizing them from a social or regional fund rather than through the CAP.

Photograph, page 5

"THE BRITISH ARE COMING"

COLIN WELLAND

GOLDCREST FILMS
AND TELEVISION
SALUTES A GREAT
BRITISH ACHIEVEMENT



GOLDCREST IS BACKING THE BRITISH FILM INDUSTRY

WE FINANCED THE DEVELOPMENT OF CHARIOTS OF FIRE —
THE PRODUCTION OF RICHARD ATTENBOROUGH'S GANDHI —
AND LOCAL HERO,
DAVID PUTTNAM AND BILL FORSYTH'S NEXT BRITISH FILM

WE NEED YOUR BACKING TO GO FURTHER

Labour resolves quarrel over oil compensation

By Donald Macintyre and Jonathan Davis

Labour's left and right wings appear to have resolved the bitter quarrel which came to a head last November over whether compensation should be paid to owners of all oil and gas assets nationalised under a future Labour government.

That emerged as Sir Ernest Woodroffe, until December a member of the board of British Gas and a former chairman of Unilever, renewed his attack on the Government's Oil and Gas (Enterprise) Bill, which, he said, would increase most gas prices. The Bill provides for the sale of oil assets owned by the British National Oil Corporation and British Gas as a monopoly gas supplier.

The Labour move comes after what Mr Wedgwood Benn's colleagues on the TUC-Labour Party liaison committee see as a marked shift by him away from his previous commitment to a policy of renationalization without compensation.

Although the details still have to be worked out between the party and the TUC, Mr Merlyn Rees, Opposition spokesman on energy, firmly said yesterday that there would be no confiscation of any oil and gas interests.

Mr Rees was speaking at a press conference as a lobby of Parliament protested at the Bill. A joint statement signed by Mr Rees and four unions represented at the lobby said that "the Labour Party will on renationalization ensure that nobody profits from this nation" at the expense of the nation.

Mr Benn drew the anger of Mr Rees and other Shadow Cabinet colleagues in November when he said in a Commons energy debate that Labour would "re-acquire without compensation all the assets alienated by the Government".

UK's ability to protect islanders questioned

FALKLANDS

The question of security in the Falklands area was being reviewed, Lord Carrington, Secretary of State for Foreign and Commonwealth Affairs, said yesterday.

He said that the majority of the Argentine party and the Argentine ship departed; but about a dozen men remained on shore.

We therefore made it clear to the Argentine Government that we regarded them as being present illegally in the British territory, and sought their cooperation in arranging for their departure, pointing out that their position could be regularized if they were to seek the necessary authorisation.

Union leaders and Labour MPs at yesterday's press conference angrily attacked the Government plans for the sale of British oil and gas fields in the North Sea.

Sir Ernest's renewed attack on the plans to allow private suppliers to enter the industrial gas market is made in a letter to Mr Nigel Lawson, Secretary of State for Energy. He says: "I remain fearful that if this Bill is passed, a large section of gas customers will have to pay higher prices for its supplies."

Sir Ernest and Mr Lawson have both been circulating Conservative MPs with copies of their exchange of letters on the gas proposals in an attempt to muster support for their arguments.

In his letter to Mr Lawson, Sir Ernest's original criticisms, Mr Lawson said that his Bill would stimulate exploration for gas supplies and allow more big industrial concerns to obtain gas supplies.

Sir Ernest's reply is that Mr Lawson has done nothing to allay his fears that the Bill would have "long-term damaging effects".

On March 25 an Argentine vessel delivered further equipment to the group ashore. The Argentine Foreign Minister has said that the Argentine party is given the full protection of the Argentine Government. Argentine warships are in the area.

The situation which has thus arisen, while not of our seeking, is potentially dangerous.

We have no doubts about British sovereignty over the Falkland Islands themselves. (Cheers)

We remain of the view that the unauthorized presence of Argentine citizens in British territory is not acceptable. We have no wish to stand in the way of a normal trade in the way of a normal trade, but the position of those carrying it out must be properly authorized.

Further escalation of this dispute is in no one's interest. In these circumstances it is clearly right to pursue a diplomatic solution of this problem. This we are doing.

The Argentine Government will take the same view. Meanwhile, the question of security in the Falklands area is being reviewed, and the House will understand that I prefer to say nothing in public about our precautionary measures.

I can, however, inform the House that HMS Endurance will remain on station as long as is necessary.

Lord Shackleton, for the Opposition, said it was a measured and sensible statement. None of us (he went on) would wish to exacerbate what is a potentially dangerous situation already. The situation arises in this part of the world — and I appreciate Lord Carrington's firm reiteration of our stand — is not only the protection of the British

people in the Falklands but could affect the peace of that area of the Antarctic.

It is important for conservation and for all sorts of measures that we retain our position in that part of the world. It is gratifying that HMS Endurance is still there. For those who doubt the effectiveness of the decision, the decision is clear.

The decision announced some while ago to cancel HMS Endurance must have encouraged the Argentine in the belief that the British were on the way out.

Lord Shackleton added that he was rung up by a friend at the Argentine Embassy who asked for to confirm the decision. He denied it vigorously.

We ought not (he said) to press the Foreign Secretary on the precautionary measures on the ground that the Government is taking. Nothing we say here of that kind, any belittling statement, will help a situation which is difficult enough as it is.

Lord Gladwin (L) said it was hoped that diplomacy would succeed in solving the dispute. In the event of diplomacy failing (he went on) we must all assume that the Government has contingency plans, if necessary, to make the dispute by other means. In the course of this long debate has the Government ever considered the possibility of referring the dispute by other means to the International Court and to abide by the court's decision?

Sovereignty disputes are essentially legal matters. If our case is strong, we believe it to be, we should lose very little and gain a great deal of prestige by submitting it to the court.

Lord Carrington: Diplomacy is the way to settle this problem. That is why we have a Foreign Office and diplomats. We must solve it in this way.

The preservation of British interests in the interests of peace in the South Atlantic is the Government's policy. It has been useful in keeping the cold war out of the South Atlantic.

HMS Endurance will stay on station as long as necessary. Of course the review which I mentioned in my speech will obviously include the long-term future of the Endurance.

It takes two to refer a matter to the International Court of Justice. I do not think they will accept a case unless both parties are prepared to put it to them.

Lord Buxton of Alton (C): The review of the Falkland Islands has been right and correct in the circumstances.

When Lord Carrington's statement was repeated in the Commons by Mr Richard Luce, Minister of State for Foreign and Commonwealth Affairs, Mr Denis Healey, the Opposition spokesman, said: The feeble statement this afternoon will lead many, even on this side, to agree

for once with The Daily Telegraph that the Government's conduct in this affair appears foolish and glib.

We should all agree that a diplomatic settlement is needed in this dispute which raises severe problems with the Atlantic Treaty which is due for renewal next year.

Mr Luce will agree with what the Secretary of State for Defence said yesterday that diplomacy is the best way to solve the dispute. There is an effective deterrent against unilateral action by the other party.

This dispute has revealed that the Government's defence priorities are mistaken. It has crippled the Royal Navy for the sake of the Trident programme, and the result is that these recent events have found the Government with its trousers down in the South Atlantic. It is not surprising that the Government has been tempted by the target which is provided.

We welcome the U-turn on the presence of HMS Endurance, but Mr Luce must be aware that this is a clapped out, obsolete, and unreliable ship. The five or six warships which the Argentine Government is reported to be sending towards the area armed with Exocet missiles.

I can understand Mr Luce's preference to say nothing about other measures, but that is because he has nothing to say. The Government has been responsible for a grave dereliction of duty in putting itself in a position where it is totally incapable of making any response to a threat which has now been mounted for the last three weeks.

Mr Luce: I find it difficult to understand what Mr Healey is trying to suggest that we should do. On the one hand he says it is right to seek a diplomatic settlement, while on the other he says we are trying to do. On the other he seems to be veiled way to be suggesting we should take some other action.

Mr Luce: I do not believe that it is the desire of the House that we should do whatever we can through diplomatic channels to bring about a peaceful settlement of this problem.

In the meantime we are reviewing the security situation. It is necessary to do so, and HMS Endurance will remain there for as long as is necessary.

Mr Healey: He has missed the point. This Government has consistently argued that negotiations cannot proceed except from a position of strength, but it has left Britain in a position of weakness as a direct consequence of its defence priorities. That is the reason why we face a humiliating situation in a situation which the Government should never have allowed to arise.

Mr Luce: That remark does not particularly help the present situation. We are trying to seek a diplomatic solution to this problem. That is the desire of all people who want to see peace in that area. It is right that we should do so.

Fisher: Not got ability.

It is the duty of the British Government to support, and defend the islanders to the best of our ability. It is surely preferable that we should do our utmost to seek a diplomatic solution, and that is what we are trying to do.

Sir Anthony Kershaw (Stroud, C): The impudence of the Argentine Government is matched only by the impudence of Mr Luce, whose policy it was to reduce the Navy and to make exactly the events come about which have.

Would it not be a good thing if Mr Luce, instead of sending massive shipments of grain to Russia, concentrated on getting his own house in order at home before he was tempted by these foreign adventures?

Mr Luce: It would be sensible for all concerned if we do not take any provocative action but take action designed to bring about a peaceful resolution of this particular problem.

Mr Luce: I am the view of the Government that public opinion in this country would support it. It was necessary, the Government has to maintain its sovereignty over the Falkland Islands and their dependencies.

Mr Luce: We do claim sovereignty over this area and we do have sovereignty over this area, and there is no shadow of doubt whatsoever that if it comes to a point where we are forced to defend and support the islanders to the best of our ability. It is our objective on this incident in South Georgia to seek every diplomatic move possible for a peaceful solution.

Sir Bernard Braine (South-East Essex, C): This comic opera situation has never been a crisis but for the continual assertion by the British Government that we have sovereignty over the Falkland Islands and nothing more. The Falkland Islanders wished to remain British, while at the same time forcing them into dependence on Argentina for access to the outside world, and threatening withdrawal, and actually withdrawing, the only Royal Navy ship in the area has been ordered to leave. This is a deliberate provocation by the Argentine Government, for whatever purpose I do not know. It has taken place because the present Government has not taken the sensible precaution of assembling adequate naval forces in the area as the Labour Government did on a similar occasion. It should learn from this experience.

This is the first time we are paying for the dreadful error in priorities in the Government's defence policy.

Mr Luce: It is easy to say that. We are doing our best to resolve this problem. We have a duty to the islanders. I do not think it helps to try and make comparisons with previous governments.

Sir Nigel Fisher (Kingston upon Thames, Surbiton, C): He has said that he will protect the islanders to the best of our ability. The problem is that we have not got the ability. The Endurance is not a warship, but in the circumstances it is

Evans: Not deterring

really not enough. What else does the Government propose to do? Mr Luce: I do not think it would be right for me to comment in detail about the security review we are undertaking.

Sir Frederick Burden (Gillingham, C): We must, while doing everything possible to settle this dispute by diplomatic means, take measures, if this was a probing operation, to ensure that any follow-up Argentinean forces is not successful.

Mr Luce: It was noted that the landing of a certain number of men on March 24 was undertaken with the use of an Argentinean naval vessel. This caused us concern and continues to do so, but that does not detract from the point that we should work as far as we can for a diplomatic solution.

Mr John Evans (Newton, Lab): Why is not our possession of a vast and expensive deterrent deterring the Argentinean? Mr Luce: I am Minister of State for the Foreign Office and not Secretary of State for Defence.

Mr James Callaghan (Cardiff, South-East, Lab): In supporting the Government's attempts to solve this problem by the increase in naval forces, which is clearly the best and most sensible way of approaching the problem, there have been other recent occasions when the Argentinean, when faced by internal troubles, have tried the same sort of tactic of diversion.

On a recent occasion of which I have full knowledge we assembled ships that were stationed in the Caribbean, Gibraltar and the Mediterranean.

They stood about 400 miles off the Falkland Islands in support of HMS Endurance. When this became known, the Argentinean solution followed. While I do not press him on what is happening today, I trust it is the same sort of thing.

Mr Luce: I am certain the House and I on behalf of the Government listened to what he said with great respect. We note what he has had to say.

Mr Luce: It is clear from the interchange that the Government accepts that the landing of these men in South Georgia was a deliberate provocation by the Argentine Government, for whatever purpose I do not know. It has taken place because the present Government has not taken the sensible precaution of assembling adequate naval forces in the area as the Labour Government did on a similar occasion. It should learn from this experience.

Mr Luce: It is easy to say that. We are doing our best to resolve this problem. We have a duty to the islanders. I do not think it helps to try and make comparisons with previous governments.

Wrong to expect more riots

LAW AND ORDER

Mr William Whitelaw, the Home Secretary, criticized Mr Michael Foot, Leader of the Opposition, when they clashed during question time exchanges in the Commons, for asking what effects high unemployment would have this summer.

Toxeth, Brixton and many other places. Mr Whitelaw, deputizing for the Prime Minister, said that Mr Foot was suggesting that such riots might occur.

Mr John Grant (Islington, Central, SDP) who began the exchange, said many MPs deplored the Prime Minister's failure to accept the link between the rising rate of crime in London and the inner cities and the Government's economic policies.

On the other hand (he continued), we explore the link between crime and unemployment. Mr Ken Livingstone in which he attacked the new Commissioner of Metropolitan Police before he was elected to the post at St Paul's, London. The new Commissioner, who was a bobby on the beat in the London Metropolitan Police, should be given a fair run.

Mr Whitelaw: Unemployment is a factor, but not the only one, and it is not enough for the increase in crime. I find Mr Livingstone's remarks about the new Commissioner most deplorable. The new Commissioner must be given a fair run.

It was a considerable figure in police work in London before he went to Northern Ireland and as a bobby on the beat. I deeply resent the imputations made against him by Mr Livingstone.

Mr Foot: The Secretary of State for Employment (Mr Tebbit) just said that the unemployment problem was soon likely to be back over three million, and that a major contributory factor, would be the young people coming on to the register. What effects does he think that will have this summer in Toxeth, Brixton and many other places? (Conservative protest.)

Mr Whitelaw: I find his last point highly deplorable. I would have thought that all MPs wished to see peace on our streets and no riot of any sort in the summer. If he suggests that such riots might occur, that is highly irresponsible (Conservative cheer.)

Mr Thatcher and I have always made clear, as have other ministers, that of course unemployment and many other factors can contribute to the problem of crime, but there are many other difficulties and many matters for which every MP has responsibility. He knows that well.

Mr Foot: If he finds it deplorable he should go away and do his duty by reading the Scamman report which justifies up to the hilt everything I said.

Mr Whitelaw: I simply find it deplorable that Mr Foot should suggest that there is any excuse whatever for any violence or riots on our streets.

Mr Foot: What I said was that there is a connexion (Conservative interruptions) — between mass unemployment, particularly among young people, and the riots. That is what Scamman said. The Government should wake up and do its duty to try to prevent mass unemployment.

Mr Whitelaw: The Government has taken many important steps following the Scamman Report. It will continue to take steps. But nothing that Lord Scamman or anyone else has said can excuse the violence or riots on the streets.

Fewer people will qualify but higher payout

DEATH GRANT

The Government hopes that by making death grant available to fewer people, it will make administrative cost savings which will be passed on to the beneficiaries of a new and more generous death grant, Mr Hugh Ross, Minister for Social Security, said.

Mr Ross made a statement announcing that the Government had published a consultative document explaining the alternative ways of providing a death grant to see whether they commanded public support as representing a more effective use of present resources than existing arrangements.

Mr Jeffrey Rooker, an Opposition spokesman on social services (Birmingham, Perry, Labour), asked the Government what it intended to do about death grant? Will he confirm that it is not intended to put in new money? He will be asked to confirm that the process be and when will the Government bring forward proposals?

Mr Rooker's note of indignation would have been a little more impressive if his administration had sought to tackle the problem of death grant in which we can assist those in greatest need. We are subject to a review of the present death grant, but that will be marginal administrative saving as a result of fewer claims to be handled and we hope, in some options to use those savings to increase the death grant.

How soon we can implement any changes suggested will depend entirely on the nature of the recommendations of the public. Legislation would be required and there is a question of finding time in the legislative programme.

He later said that it would not be done during this parliamentary session.

New rules for tyre treads

Regulations are to be introduced to maintain the existing minimum tyre tread depth of 1.6mm, but with the requirement that the remaining quarter should have some visible tread pattern. Mrs Lynda Chalker, Under-Secretary of State for Transport, announced in the House of Commons written reply.



Two model bullocks, sculpted by Brian Baker, will form the centrepiece of a Festival of India exhibition at the Museum of Mankind in London. The bullocks were lowered onto a lorry from Mr Baker's house yesterday.

Drugs 'no safer' for rules costing £30m each year

By Annabel Ferriman, Health Services Correspondent

Government regulations delay the introduction of new medicines without much increasing their safety, a report by two health economists published today says.

The elaborate testing system for new drugs, the report adds, involves at least 1,000 people in Government and industry and probably costs more than £30m a year in salaries, delays in marketing new drugs, and lost profits.

The authors, Mr Keith Hartley and Mr Alan Maynard, of York University, were examining the Medicines Act, 1968, set up after the thalidomide tragedy.

They asked 16 pharmaceutical companies in Britain, representing three quarters of those employed in the industry, to fill in detailed questionnaires on the Act's operation.

All wanted it modified to allow them more flexibility in testing their drugs. Most wanted to test their drug on human earlier in the development process.

They said the Act had had important adverse effects on research and development, including longer development times, fewer innovations, less basic research, and more clinical research and development going abroad.

Spain blocks recovery of Laker yacht

By David Hewson

Spanish authorities have thwarted an attempt by the British liquidators of Laker Airways to recover a £150,000 motor yacht owned by the company and moored at the Palma, Majorca.

Representatives of Mr Christopher Morris, the Laker joint liquidator, were preparing to sail the Patrina to Gibraltar where it could be sold to help to offset the debts of the airline which collapsed owing £270m.

But shortly before they were due to sail Spanish detectives arrested the crew on suspicion of theft and said the yacht would be held against Laker debts in Spain.

The liquidator's team was later released, but a series of court hearings in Majorca over the past fortnight have failed to settle the future of the yacht, which was brought by Laker Airways to entertain Spanish travel agents and promote Laker flights to Spain.

Mr Morris said yesterday that two Spanish writs had been issued on the vessel, one for a claim of £24,000 from her captain, señor Pablo Palmerin, for redundancy, and one for more than £100,000 which the Spanish Airports Authority claims it is owed for weeks of unpaid landing fees.

The British team did not know the vessel was the subject of Spanish court action, Mr Morris added. The yacht is likely to be the subject of a lengthy legal argument between the British liquidators and the Spanish authorities.

Folly for anyone to quit MSC

EMPLOYMENT

It would be extraordinary for anyone to suggest that any of the parties to the Manpower Services Commission should walk out at a time when the Government had made more money available than ever before to implement the new initiative, Mr Norman Tebbit, Secretary of State for Employment, said during question time.

Mr Tebbit said unemployment fell this month by over £2,000, the largest fall for the month of March since the current series of figures began in 1948. Following the slowing of the underlying rate of increase in recent months and the fall in inflation, prices and interest rates, there were grounds for hope.

Mr Tebbit said the increase in Britain's competitiveness was beginning to arrest the growth in unemployment.

Mr Robert Croy (Kingsley, Lab), is not that figure and the drop below 3m produced by doubling the figure of the number of men over 60 going on long-term

supplementary benefit so they are not registered? Would it not be better, instead of twisting the figures, to create the real jobs promised in the massive advertising campaign in 1979? When does he expect unemployment to get down to the level he inherited in 1979?

Mr Tebbit: No, the government does not create jobs; customers create jobs when they buy goods and when customers come forward to buy the goods offered by the Manpower Services Commission should walk out, the number of jobs to offer, not before.

Mr Robert Adley (Christchurch and Lynton, C): Over the last three months, Mr Norman Tebbit, unemployment has been dramatically lower than almost every other country in OECD. To what does he attribute this?

Mr Tebbit: The increase in unemployment is a number of other OECD countries is much greater than in Britain and that is because our economy is becoming more competitive relative to theirs. Some countries pursuing socialist policies are finding interest rates rising.

Mr Croy: Is he concerned that the TUC commissioners on the Manpower Services Commission will resign their participation in this service?

Mr Tebbit: I hope he will not believe every bit of title tale in the newspapers and I hope the TUC commissioners will remain along with the CBI commissioners and others within the MSC.

Mr Eric Varley, chief Opposition spokesman on employment (Chesham, Lab): How long does he expect registered unemployment to stay below the 3m mark?

Mr Tebbit: Probably for a month or two until school leavers come on to the register; that is the time every year when there is an increase in unemployment. He would expect registered unemployment to stay below the 3m mark.

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NEWS IN SUMMARY

Mexican volcano kills 12

Pichucalco, Mexico. — At least 12 people were killed and 80 injured when a volcano erupted and spread heavy ash over a wide area of south-eastern Mexico.

Several towns were isolated by the mounting ash from 34,000 ft. Chichu, 550 miles south-east of Mexico City. The regions two largest airports, at Villahermosa and Tuxtla Gutierrez, were forced to close because the ash impeded visibility.

The National Geophysics Institute said the volcano began to erupt on Sunday night and spread a thick cloud of dust over a radius of 50 miles. The deaths occurred in the towns of San Francisco, San Juan Ostochcan and Chichonil, in the state of Chiapas, bordering Guatemala.

São Paulo jail revolt crushed

São Paulo. — Four prison staff and at least eight prisoners were killed when Brazilian military police crushed a revolt at the São Paulo state penitentiary, the authorities said.

A four-hour uprising ended when the police stormed on to the roof of the building and killed the leaders of the rebels, who had taken the governor and other prison staff hostage.

The revolt broke out when six jailed bank-robbers crossed a low-security wing and burst in on a lunch party given by Senator Luis Camargo Wolfmann, the prison governor.

Brezhnev rests in hospital

Moscow. — President Brezhnev, who returned on Friday after a tiring four days in Tashkent, is now in hospital, according to Soviet sources. He is not said to be seriously ill, but resting and recuperating after a heavy recent schedule (Michael Binyon writes).

Mr Brezhnev, aged 75, is understood to be in a hospital near the Kremlin which is used by top officials. The street nearby has been closed for the past two days. He fires easily and his schedule is arranged to allow him frequent periods of rest.

Surgeon's trial for vasectomy

Rome. — Dr Giorgio Conci, a surgeon from Lucca, Tuscany, is to stand trial there on Thursday accused of intentionally causing bodily harm to 49 male patients who voluntarily underwent vasectomy operations by him. At a press conference called by the Italian Association for Voluntary Sterilization, Dr Conci said the Lucca public prosecutor had called the 49 witnesses from their homes in different parts of Italy to ask if they really had volunteered for the operation. He faces a possible 12-year sentence.

Kidnap victim resigns seat

Naples. — Signor Cirillo, the Christian Democratic politician held by the Red Brigades for 88 days last year, has resigned his post on the regional government, saying it would free his party from unfair accusations.

He had been the subject of controversy over the £675,000 ransom paid for his release. His family says they raised the money, but there have been accusations that the party which has publicly been firm in its refusal to negotiate with terrorists, paid the ransom, using the Neapolitan underworld.

Turkish-Greek property clash

Ankara. — Turkey has threatened counter-measures if Greece expropriated land or property of ethnic Turks in the north-eastern Greek region of Thrace.

A Foreign Ministry spokesman, asked about Turkish press reports that Athens may be planning such expropriations, he said that the Turkish Government was preparing a draft Bill to take counter-measures with international law if Greece took over any of the property of ethnic Turks.

Karpov licked

Moscow. — The Soviet post office has issued a stamp with a picture of Anatoly Karpov, the reigning world chess champion. Special first-day envelopes commemorate his victory over Viktor Korchnoi in Merano last year, and note that he has now won the championship three times in succession. It is rare for a living person to be portrayed on a Soviet stamp. Karpov already holds the Order of Lenin.

CORRECTION

The remarks in the last paragraph of yesterday's report from Paris, calling for a pause in the pace of French Government reforms and estimating their cost, were made by M Yvon Gump, President of the French Employers' Federation, not M Jacques Delors, the Minister of Finance.

Arabs strike in Israel as unrest spreads

From Christopher Walker, Jerusalem, March 30

The wave of Arab protest in the occupied territories spread into Israel proper today as many of the country's 600,000 strong Arab minority staged their own series of strikes, marches and demonstrations.

The one-day protest was called to mark the anniversary of the occasion in 1976 when six Israeli Arabs were killed while demonstrating against Israeli land seizure. It was also directed against Israel's recent hardline policies in the West Bank and the Gaza Strip.

The extension of Arab unrest came only hours before Lord Carrington, the Foreign Secretary, was due to begin a 48-hour official visit to Israel which has already been the target of much Arab criticism.

By tonight, Arab demonstrators and police had been injured in sporadic outbreaks of violence but the security forces were noticeably less severe than in the occupied territories where six Arabs have been killed and more than 30 injured by bullets in the last eleven days.

At least 40 Israeli Arabs were arrested during demonstrations which included the erection of barbed wire and the flying of illegal Palestinian flags. Slogans were shouted denouncing the recent clampdown in the West Bank in many on the 1949 General Convention which protects the rights of peoples in occupied territories.

The strike was almost total in the largest Israel Arab town of Nazareth, as it was in the old city of Acre. Many thousands of Arabs also refused to go to their jobs in Jewish-owned companies.

The solidarity strike with the West Bankers was far from unanimous, but diplomatic observers described the

UN compromise

New York. — A resolution seeking to end the clashes in the West Bank is expected to be presented to the United Nations Security Council (Zoriana Pysariwsky writes).

The compromise draft, put forward by Ireland, does not condemn Israel, but calls on all parties to exercise maximum restraint. It also demands that Israel abide by the 1949 General Convention which protects the rights of peoples in occupied territories.

protest as a significant indication of a growing sense of common feeling between the two Arab populations.

Mr Moshe Sharon, a former Arab affairs adviser to the Begin Government, earlier explained: "There is definitely a feeling of cooperation developing between Israel's Arabs and those of Jordan and Somalia (the West Bank)".

The Israeli Arabs, who numbered only 156,000 when the state was created in 1948, are increasing their numbers as an increasing number of them are seen as a discriminated minority. Their radical leaders claim that they are discriminated

against by the government in such areas as finance and or local services.

They enjoy many of the civil rights of Jewish Israeli citizens, but are distinct in one important way: they are exempt from compulsory service in the armed forces.

Splits among the different sections of the Arab community were apparent today with only nine of the 21 Arab municipalities in the Galilee backing the strike. Other announced in advance that they were boycotting the protest represented the Callie Pruse, a breakaway Muslim sect and heads of the 12 Beduin tribes in the Jews and Arabs. The general strike moved into its eleventh day in the West Bank and east Jerusalem despite intensive Israeli efforts to bring it to an end. Violent incidents took place, including the firing of shots over the heads of Arab demonstrators by an Israeli driver whose bus was stoned in north Jerusalem.

In Hebron, a city holy to both Jews and Arabs, I watched as troops with plant wire cutters and a welding machine attempted to break the strike in the cashah. Tear gas grenades were fired after stones were thrown from the roofs overlooking the narrow alleys, but even before a military order was issued banning journalists, it was clear that the shops were reopening as soon as troops left their immediate vicinity.

Lebanon truce divides PLO

Beirut. The scattered violence in the West Bank and Gaza is fast being mythologized in the rest of the Arab world as a mass uprising against the Israelis (Robert Fisk writes). It was celebrated in just such a fashion in Beirut today with a rally of 10,000 Palestinians, a brass band hour-long speeches by the Palestinian leadership in the city.

For the Palestine Liberation Organization (PLO) however, it is becoming an increasingly necessary myth. The growing impatience of the more extreme faction within the PLO prompted Mr Yasser Arafat, the organization's chairman, to promise last night that the ceasefire in southern Lebanon would continue.

But at least two wings of the PLO — Yasser Arafat's Popular Front for the Liberation of Palestine — are arguing that the truce makes a mockery of Mr Arafat's assertion that the PLO is always ready to help its people in Israeli-occupied territories.

As the deputy commander of the Palestinian guerrillas in southern Lebanon has put it: "We have to fight for our people on the West Bank. Otherwise, how can we justify having all these weapons here? We don't want any more communities of support or solidarity or the sympathy of other Arab states."

Outburst at cartoonist's evidence

From Meeshe Brilliant Tel Aviv, March 30

Mr Ranan Lurie, the political cartoonist of The Times, said yesterday that the Israeli Cabinet Secretary had told him Mr Menachem Begin, the Prime Minister, was on the "verge of senility".

Under cross examination before a civil service disciplinary tribunal in Jerusalem, Mr Lurie said that Mr Arye Naor, had also told him before his scheduled interview with Mr Begin, in 1980, that the Prime Minister was unable to function properly because he was on drugs and medication.

Mr Naor had also advised him to bring a photographer to take a picture of Mr Begin falling asleep during the interview, as he was bound to do, Mr Lurie said.

Mr Naor, seated beside his lawyer, exclaimed: "He's not a liar. He is a contemptible liar."

The chairman of the tribunal cut off Mr Lurie, asking "is this necessary for the hearing?" Mr Y Benish, the defense council, stopped the questioning. Mr Lurie was on the stand for 20 hours.

He said Mr Naor, who is being tried for conduct unbecoming a civil servant, had volunteered scoops and other services because he wanted help in finding a foreign newspaper job as he had expected the Likud to lose power.

El Salvador election

Right wing to form coalition

From Paul Killman San Salvador, March 30

In a move which threatened to polarize even further the tumultuous political situation in El Salvador, the right-wing parties have announced that they will form a government of national unity.

The five between them won nearly 60 per cent of the vote according to almost all the estimates from Sunday's constituent assembly elections. The remaining share goes to the Christian Democrats headed by President Jose Napoleon Duarte.

Their joint announcement represented a setback to United States hopes that any government emerging from the vote would have a bias towards the centre and would include if not Senator Duarte, at least representatives of his ideals.

The five right-wing groups declared their intention of forming a government of national unity after a meeting at the residence of Mr Deane Hinton, the United States Ambassador, at which he understood to have tried to impress upon them the need for reconciliation to meet the threat posed by left-wing guerrillas.

The joint declaration attracted support of the Nationalist Republican Alliance (Arena), headed by Major Roberto D'Aubuisson, the National Conciliation Party, led by Senator Raul Molina, and the Democratic Action Party.

The three, which respectively came second, third and fourth in the poll, were joined by two groups which obtained only small shares of the vote: the Popular Orientation Party, led by General José Alberto Medrano, an ageing figure, and the Salvadorean People's Party, headed by Senator Francisco Quinonez.

The parties said that each would retain its separate identity but that together they stood for a "rejection of communism and communism."



Price protest: British farmers at a meeting in Brussels to press for higher farm prices

Pledge to aid young jobless

From Peter Norman, Brussels, March 30

EEC heads of government today promised to try to end the tragedy of young people in Europe leaving school only to go straight on to the dole.

At the end of their two-day summit meeting in Brussels, the 10 leaders agreed that the member states would strive to ensure over the next five years that all young people entering the labour market for the first time received vocational training or initial work experience as part of special youth schemes or employment.

The pledge followed a lengthy discussion of economic and social conditions in the community in which the heads of government concluded that the slight economic recovery likely in the EEC this year would be insufficient to stop unemployment growing beyond its present level of more than 10 million.

In particular, they agreed that modest economic growth would be inadequate to deal with the "intolerable situation" created by high levels of unemployment among the young.

Mrs Margaret Thatcher said the heads of government agreed that there was "no magic formula" to deal with Europe's economic problems. The EEC could be a real advantage in promoting economic recovery.

Mrs Thatcher said a great liberalization of services such as insurance and air transport in the EEC could help to create jobs. The leaders also vowed to press ahead with promoting high

technology industries at Community level.

But the two-day summit meeting did not consider Europe's economic problems in isolation. It was the last time the leaders of the ten will meet before the next world economic summit at Versailles in June, and international economic policy played a leading role in the discussions.

In sketching out their hopes for Versailles, they called for increased cooperation between the important industrial nations of the world, aimed notably at encouraging a reduction in interest rates and making exchange rate movements less volatile.

Japan was urged to open its market more to imported goods, while the leaders called for a strengthening of relations between the rich northern industrial countries of the world and the poor developing nations.

But with the world economic summit still two-and-a-half months away, they were careful not to adopt too stern or specify a negotiating posture.

Providing the United States, Japan and Canada agree, the Community is likely to be more strongly represented at Versailles than at any previous summit. It was agreed that the smaller member states should be represented by both M Gaton Thörn, the president of the European Commission, and the head of Government of the country holding the EEC's six months rotating presidency.

The emphasis in the discussions was on action in the individual member states rather than at Community level.

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Strains in Soviet block links

From Ian Murray Brussels, March 30

The summit laid considerable emphasis on foreign affairs and a good deal of study had been done on those areas which the EEC now takes a growing interest in influencing.

Relations between East and West were the predominant topic and the Community — once more complained in a final statement that events in Poland for which the Soviet Union "bore a clear responsibility" had placed a strain on relationships.

The statement opened the way for further consultation within the Organization for Economic Cooperation and Development of plans to limit further credit facilities for the Soviet Union. It also looked forward to a fruitful resumption in November of the Madrid conference on security and cooperation in Europe.

There was also a strong protest at the "negative attitude of the Soviet Union" on Afghanistan. "I am very anxious that Afghanistan should not be forgotten," Mrs Thatcher said.

There was tough wording, too, in the denunciation of measures taken by Israel in "the violations of the liberties and rights of the inhabitants of the Golan Heights as well as over the dismissal of 'the democratically elected mayors'."

Gandhi in squabble with widow of Sanjay

From Kuldip Nayor Delhi, March 30

Mrs Maneka Gandhi, widow of Mrs Indira Gandhi's son Sanjay, said today that she had no immediate plans to enter politics and was willing to return to her mother-in-law's house "if she wants me back".

Last night Mrs Maneka Gandhi left the Prime Minister's residence with her two-year-old son Varun after Mrs Gandhi objected to her using the house to "carry on political activities" opposed to her and the Congress (I) Party.

Mrs Gandhi was irritated by Mrs Maneka Gandhi's participation in a convention in Lucknow to re-annunciate Sanjay Gandhi's programme. On her return from London, Mrs Gandhi had characterized the convention as "anti-party activity" encouraged by the press and the opposition Janata Party.

Mrs Maneka Gandhi denied the charge of joining hands with the Opposition at the Lucknow convention and reiterated the same sentiments today. She said it was all a result of a "large misunderstanding".

If she (Mrs Gandhi) wants me back, I will go back. I cannot return voluntarily, as I did not leave voluntarily. I said there was a "slight dispute" over the custody of Varun (Mrs Gandhi sent for some time).

Few people called on Mrs Maneka Gandhi today at a motel where she has been staying since last night. Congress (I) party men, and Sanjay men have stayed away because the party leaders, including Mr Rajiv Gandhi's son, are saying openly that what Mrs Maneka Gandhi is doing is against the interests of the party and the Prime Minister.

Only Mr Akbar Ahmed, an Uttar Pradesh legislature member, who was a close friend of Sanjay Gandhi, openly stands with Mrs Maneka Gandhi, but he has been suspended from the Congress (I) Party as an example to others.

Other prominent associates of Sanjay Gandhi, such as Mr Kamal Nath and Mr Jagdish Tytler, both members of the federal Parliament, have not only left her, but have also issued separate statements to condemn the Lucknow convention.

Some act of defiance by Mrs Maneka Gandhi was on the cards. She could not be expected to be in sackcloth and ashes for the rest of her life, being only 25. After being in the limelight during Sanjay Gandhi's lifetime, she could not have accepted the oblivion to which she had been consigned.



Mrs Maneka Gandhi: A "misunderstanding"

Poland warms to E Germany

Berlin, March 30. — Poland and East Germany have agreed to build up industrial cooperation to fight Western sanctions against the Warsaw military regime and to overcome the mutual difficulties caused by Poland's economic troubles.

A communiqué issued today simultaneously in Warsaw and East Berlin after the visit here yesterday of General Wojciech Jaruzelski, the Polish leader, for talks with Herr Erich Honecker, the East German leader, said long-term needs had to be assured.

This referred particularly to fuel, raw materials, chemical products, machinery, electrical and electronic equipment and consumer

goods, the joint communiqué said.

"The solution of the most urgent economic problems in both countries and the political sanctions applied by capitalist states required more efficient and planned use of the two states' industrial capabilities to mutual advantage", it said.

The communiqué called on the Polish people to forget the mistakes of the past and fight against "destructive, anti-socialist activities", in order to build a secure future and a strong state.

Both countries called for support for President Brezhnev's proposal for a moratorium on the introduction of medium range nuclear missiles in Europe and said it

demand a positive response from the West.

WARSAW: The underground bulletin of the Warsaw branch of Solidarity, the free trade union, has printed a new appeal by Zbigniew Bujak the Council leader, for concerted action to save the union from extinction.

"The future of the trade union movement is at stake today. The present time will show whether it will remain independent of the control of its free will" Mr Bujak said.

He called on members to continue resistance to martial law and bombard the authorities with requests for the restoration of the suspended union and the release of its interned leaders.

IBA

Appointment of Contractor for the Radio News and Information Service based in London

Applications for the contract to provide the Independent Local Radio News and Information service in London including the national and international news service supplied to all ILR companies are invited by the Independent Broadcasting Authority.

Under the terms of the Broadcasting Act 1981, the IBA is re-advertising the specialist news and information franchise within eleven years of the introduction on October 8th, 1973 of the service provided for listeners by the London Broadcasting Company (LBC). LBC's subsidiary company, Independent Radio News (IRN), provides national and international news to all Independent Local Radio companies, and the franchise now offered is for the supply of a news service to ILR generally as well as for the provision of news to London.

A document containing particulars, including a coverage map and details of the information required from applicants may be obtained on written request from the Secretary to the Independent Broadcasting Authority, 70 Brompton Road, London, SW3 5EY. The contract from October 1983 will be subject to a statutory maximum of eight years, at which point the franchise must, under the terms of the Broadcasting Act 1981, be re-advertised again.

Applications should reach the Secretary to the Authority not later than noon on Thursday 24th June 1982. The Authority aims to award and announce the offer of contract from October 1983 during the autumn of this year.

Information Office IBA Tel: 01-584-7011 Ext. 446.

Iraq forced into humiliating retreat by Iran

By Henry Stanhope, Defence Correspondent

Iraq's military command is withdrawing its 4th Army from positions on the Gulf war front after what looks like a humiliating reverse at the hands of Iranian forces. President Saddam Hussein was quoted by the official news agency in Baghdad yesterday as explaining to the Army that it had been decided to regroup them in the rear "after your blows absorbed the advance of the enemy attack."

They were not to feel bitterness for the lands they were abandoning voluntarily, according to the Iraqi leader, whose call for a ceasefire earlier this week had been rejected by the increasingly confident government in Tehran. The Iraqi withdrawal follows what Western intelligence sources have described as significant Iranian successes on the Shush-Dezful front.

Tehran radio yesterday was claiming that Iranian troops had smashed three Iraqi divisions and recaptured 800 square miles of territory. About 15,000 Iraqi soldiers had been taken prisoner in the offensive which began eight days ago and was said to be the biggest military advance in the 18-month Gulf war.

hundred tanks and armoured troop carriers and 165 artillery pieces had been destroyed or captured as well as surface-to-air and surface-to-surface missiles. The Abu Qarib oil wells, claimed by the radio to be the most important in Khuzestan, were also now back in Iranian hands.

Yesterday's developments, which coincided with a visit to Baghdad by King Hussein of Jordan, President Hussein's most loyal Arab ally during the war, are supported to a large extent by Western intelligence. There was scepticism last night about the casualties the Iraqis are said to have suffered, but the Iranian estimates of the land captured and the significance of their victory has been broadly confirmed.

According to intelligence assessments, 40,000 Iranian regulars, as well as an unknown number of revolutionary guards, have been fighting for more than a week to work a pincer movement on the Iraq forces facing the city of Dezful.

The Iraqis were said to have reached the small town of Eym Khowsh, to the north of the salient, and the Reqabeyeh Pass to the south of it. Rough terrain between would make it difficult for them to close the jaws of the pincers on the 25,000 Iraqis who were dug in on the threshold of the Iranian stronghold.

Even before yesterday's admission from Baghdad, intelligence reports were circulating in the West that Iraqi troops were filtering back through the gap to avoid becoming trapped.

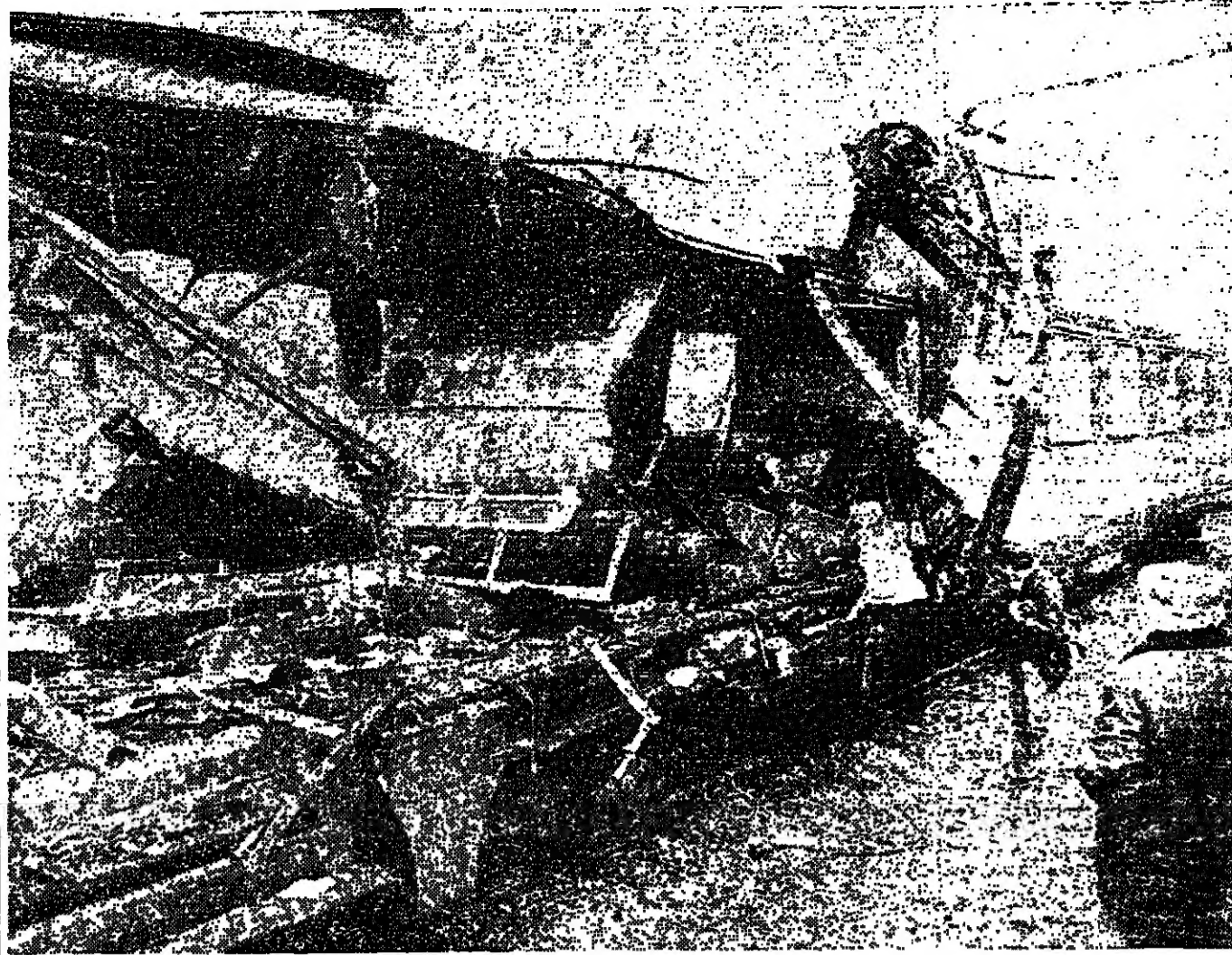
The latest Iranian successes follow similar counter-offensives last year in which they pushed back the Iraqis in the area round Susangerd, and lifted the near-siege of Abadan. Although Iraqis still shell Abadan in desultory fashion, the Iranian shells falling on Basra are said to be more damaging.

Western intelligence observed the Iranian build-up on the Dezful-Shush some time ago and expected the offensive to start in February. But the Iraqis also read the signs correctly and launched a spoiling action of their own which forced the Iraqis to delay.

Three Iranian divisions, the 21st, 7th and 92nd Armoured, are understood to have led the Iranian assault, with a number of independent brigades making up a total of four division equivalents.

Revolutionary Guards are thought to have attacked in combination with the Army, the regular armoured units protecting their flanks in classic Islamic fashion as they advanced towards the Iraqi positions.

Although analysts have



Shattered wreckage: The coach of the Capotele express destroyed by an explosion outside Limoges.

French train blast baffles police

Limoges, March 30. — Police said today that last night's explosion on the Capotele express train which killed five people and injured 28 was caused by a package of explosives on a luggage rack. But they said it was not clear whether it was a bomb attack or whether explosives being transported by terrorists had gone off accidentally.

The explosion happened seven minutes before the Paris-Toulouse express with 300 people on board was due in Limoges when the train was travelling at about 90 miles an hour. The train stayed on the tracks but the explosion blew out the end of a coach, hurling two bodies into a field.

Rescuers used cutting equipment to free the injured from the wreckage and said the bodies of the dead, including a child, were badly mutilated.

One of those killed was Mme Marie-Claire Bardon, sister of M Jean Pierre Fourcade, the former Finance Minister. — Reuters.

Paris: Before the arrival of rescue teams and police, passengers volunteered to assist the wounded. But there was no first aid kit on board and a doctor and nurse had to use whisky from the bar to disinfect wounds. (Charles Hargrove writes). The train, which had been towed into the station of Ambazac, where investigators began

examining the damaged coach, was allowed to proceed two hours later.

A young woman passenger reported to the police that she had observed the strange comings and goings of a young man. An eyewitness said in a television interview that the explosion occurred after an argument between two passengers over a briefcase.

No one has claimed responsibility for the explosion. At the beginning of this month he delivered an "ultimatum" to the French Government demanding the liberation of two of his "friends", a German and a Swiss who were arrested last February in Paris and suspected of being members of the Baader-Meinhof gang.

Mr Charles Fiterman, the Communist Minister of



of Jordan, President Hussein's most loyal Arab ally during the war, are supported to a large extent by Western intelligence. There was scepticism last night about the casualties the Iraqis are said to have suffered, but the Iranian estimates of the land captured and the significance of their victory has been broadly confirmed.

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Although analysts have

Weinberger promises to modernize Seoul army

Seoul, March 30. — Mr Caspar Weinberger, the United States Defence Secretary, today announced moves to modernize both the American forces in South Korea and the South Korean Army.

He made the announcement at the opening of a two-day meeting here to review what is regarded as the North Korean threat to the South and the two countries' military strength.

He said that in the mid-1980s more advanced United States M60 tanks would replace about 100 M48 tanks now in use. The M48s would be offered for sale to South Korea under an American military aid programme.

He was taking part later in a ceremony dedicating facilities at Suwon air base, south of Seoul, built by South Korea for the new A10 aircraft the United States is deploying there.

Mr Choo Young-bock, the South Korean Defence Minister, sought lower United States interest rates than the current 14.5 per cent on loans to buy American arms.

Mr Weinberger said he would recommend a lower rate to the United States Treasury. The Adminis-

Botha calls congress to restore party unity

From Michael Hornsby, Johannesburg, March 30

A rare federal congress of the ruling National Party has been summoned to meet in Bloemfontein, the capital of the Orange Free State, on July 30 and 31 by Mr P. W. Botha, the South African Prime Minister.

It is seen here as an attempt to restore unity after the ructions caused by the right-wing breakaway of Dr Andries Treurnicht, and to prepare the ground for the acceptance of new constitutional proposals.

There have not been more than half a dozen such congresses since the National Party was founded in 1914. The last being held in 1968 to commemorate the party's first 20 years in power.

The main purpose of the Bloemfontein congress, it is believed here, will be to persuade the rank and file of the party to share political power with coloureds (mixed race) and Indians in line with proposals expected to be announced in May by the President's Council, an advisory body on constitutional matters set up in 1980.

"Power-sharing" was the issue which led to the revolt, and subsequent expulsion from the NP, of Dr Treurnicht and 15 other right-wing MPs earlier this month.

Mr Botha evidently hopes to preempt any moves by the provincial congress of the Transvaal NP, of which Dr Treurnicht was chairman until his expulsion, to torpedo the "power-sharing" proposals.

The NP is made up of four largely autonomous provincial parties in: Transvaal, Orange Free State, Natal and the Cape. They all hold annual provincial congresses, which this year are due to take place in August and September.

Decisions taken by the federal congress are not binding on the provincial congresses, but they exert powerful pressure, and there is no precedent for their being overruled.

As leader of the NP in the Cape, Mr Botha's control of the party, in a country where regional rivalries remain bitter, depends on his holding together a coalition of support against the dominant and conservative Transvaal.

If the President's Council's proposals go further than existing party policy, Mr Botha has hinted that he might call a national referendum in the (probably justified) belief that a majority of white voters would support him.

Letter from Accra

Anyone for tennis, peradventure?

The crackle of automatic rifle fire made me turn round sharply as I walked along the pavement away from the telecommunications headquarters. It came from some soldiers guarding the building, who were firing into the air in a gesture apparently designed to keep citizens on their toes.

It was a few weeks after Flight Lieutenant Jerry Rawlings' coup, and continuing my walk in a nonchalant manner as I could muster I came upon a white-robed Ghanaian priest standing outside an imposing church and gaining calmly towards the source of the shooting.

Wishing to engage such a reassuring figure in conversation, I asked him if this was the Roman Catholic cathedral. "No," he replied gravely. "We are Anglicans. You will find the Roman Catholics next to the lunatic asylum."

This was no counter-ecumenical jibe, for in Accra the Anglican is a principal landmark which gives its name to a whole district of the city, and is known to everybody as "Asylum Down".

Wherever English is spoken people have tossed aside any notion that there is a correct way to use it, and Ghana is no exception. Under the new regime the language of revolution has invaded the vocabulary — "people's defence committees" gain increasing sway over official and commercial life and business is threatened with "unprecedented revolutionary justice" — but Ghanaians cling to many of their traditional, colourful, English usages.

In ordinary conversation, particular Ghanaian use of words probably stems from a mixture of retained archaic terms dating from the influence of missionary education, literal translation from local languages and sheer inventiveness. Where else in the English-speaking world will you still

hear the word "peradventure", meaning "perhaps", used in current speech?

"Esquire" as a polite means of direct address survives, and travelling on a bus your neighbour might lean over and say: "Esquire, could I borrow your newspaper?"

Whereas many English speakers punctuate their speech with all manner of superfluous expletives, Ghanaians fill in the gaps with the phrase "this thing", more usually abbreviated to "disting". This can mean almost anything and has far wider applications than "thingamajig", being more analogous to the French *choses*, *truc* or *machin*, with overtones of "what's his name" and "you know what I mean" thrown in.

Some expressions have a biblical ring. Of a pregnant woman it can be said that "she has taken seed", while others perhaps derive from local custom in which chiefs are *ensetooled*, or if they lose their people's confidence, are *destooled*. A government official who is at his desk in his office is described as being "on seat".

Terms used to describe clothing can also confuse. "Dresses" refer to a man's clothes rather than a woman's and "knicker" (usually singular) means a man's pair of shorts.

In Nigeria, oddly enough, knickers retain their British-English connotation of undergarments, and in Lagos I have heard a brasserie described as "knickers for up".

But Nigeria, English is altogether another matter, and in any case, I hope you will not get me wrong if I say that the hour has come when I should no longer be on seat, but should close, change my dresses, put on my knicker, and take some exercise, game of tennis, or disting peradventure?

Godfrey Morrison

NEWS IN SUMMARY

Paratroops jailed for killing

Foix, Southwest France. — Three British paratroops were each sentenced to five years' imprisonment, one year suspended, after being found guilty with extenuating circumstances of killing an Algerian-born Frenchman during what their defence lawyer called "a night of madness".

Peter Doswell, aged 26, from Southend, Gerald Lamb, aged 24, from Leeds, and John Magill, aged 23, from Macclesfield, were training with a French regiment last October at Pamiers, near here. They were charged with beating M Schick Djelbi, aged 29, to death after a night out in Pamiers' red-light district.

The paratroops said M Djelbi offered to take them to a discotheque, but they thought he tried to make fun of them, and instead led them to a brothel. There was a fight, in which M Djelbi was killed.

Plan to rescue Danish papers

Copenhagen. — The Berlingske newspaper publishers, announced a plan to save *Berlingske Tidende*, the conservative newspaper founded in 1749 (Christopher Follett writes).

The financial reconstruction plan for the Berlingske group, which also includes a popular daily tabloid, a serious weekly journal, two weekly glossy magazines and two provincial newspapers, calls for 150m kroner (£10.6m) in fresh equity capital. If it is not raised by mid-April, the newspapers are to be closed.

Malta boycott MPs warned

Valletta. — Dr Daniel Micallef, the Speaker of Malta's House of Representatives, warned Nationalist Party members that they could lose their seats unless they ended a boycott of sittings in protest against the last elections.

He gave them until April 26 to attend Parliament, which reopened six weeks ago. The Nationalists' 114,163 votes at the election gave them 31 seats in the House whereas the Malta Labour Party's 109,990 votes won 34 seats. They claim boundaries were redrawn in Labour's favour.

Typhoon's toll

Manila. — President Marcos declared a state of calamity in six central Philippines provinces hit by the off season typhoon Nelson over the weekend. It is estimated that 50 people died and 27,000 were left homeless. About 300,000 are in need of relief.

US nuclear freeze movement

Growing protest confronts Reagan

From Nicholas Ashford Washington, March 30

In the 1960s there was the civil rights movement. Then in the 1970s came affirmative action and the environmentalists. Now the nuclear arms race looks like becoming a central political issue during the first half of the 1980s.

Support for a nuclear weapons freeze has mushroomed like an atomic cloud during the past three months. In California more than half a million people have signed a petition calling for a bilateral nuclear freeze. About 240 New England towns meetings have endorsed nuclear freeze motions this year.

In Indianapolis a church group is withholding the 2 per cent federal excise tax on its telephone bill in protest against the nuclear arms race.

According to a poll published by *Newsweek* magazine, 54 per cent of people questioned favoured a freeze, compared with 29 per cent who were against. Thirty-two per cent felt the Reagan Administration's policies were increasing the risk of nuclear war, compared with 21 per cent who felt they were making a nuclear conflict less likely.

In Congress lines are being drawn between those who favour a bilateral freeze at present weapons levels and those who support the Administration's approach of negotiating arms reductions with the Russians from a position of strength.

A motion drawn up earlier this month by Senator



Senator Kennedy: Wants comprehensive freeze.



Senator Jackson: Opts for long-term approach.

Edward Kennedy and Senator Mark Hatfield calling for a comprehensive nuclear weapons freeze by the two superpowers has already won the support of 23 senators and about 150 representatives. A Kennedy aide said it was hoped there would eventually be sufficient support in Congress to put a freeze resolution to the vote.

In an attempt to head off support for the Kennedy-Hatfield motion an alternative resolution has been drawn up by Senator Henry Jackson and Senator John Warner calling for the Administration to propose to the Soviet Union a long term, mutual and verifiable nuclear freeze at equal and sharply reduced levels of forces.

By placing emphasis on long-term reductions the

Barbara Roche, co-director of the national clearing house for the Nuclear Weapons Freeze Campaign. She points out that advocates of a bilateral freeze include not just pacifist and left-wing groups, but also a number of conservatively-inclined professional and church bodies.

Among those supporting a freeze are a former assistant director of the Strategic Arms Control and Disarmament Agency, a negotiator in the second round of the strategic arms limitation talks (Salt 2) and a former deputy director of the Central Intelligence Agency.

Perhaps more important than the numbers involved is the publicity that the freeze movement is getting. It has been the subject of television documentaries and recently was the cover story in *Time* magazine.

Public attention will again be focused on the dangers of nuclear war during what is known as Ground Zero Week, which is to take place throughout the country next month.

Ground Zero is an organization set up in 1980 by Mr Roger Molander, a former nuclear strategist with the National Security Council.

Mr Molander says he first started worrying about the possibility of a nuclear conflict after hearing an Air Force colonel lecture him about how the United States should have "nuked" the Soviet Union in the 1940s before they got the bomb. "If Salt would go away we would have the capability to nuke them again", he was told.

Turkish pledge on rights

Ankara, March 30. — General elections in Turkey will take place in 1984 as scheduled, after a constitutional referendum this autumn, the chairman of the Consultative Assembly said today. Professor Orhan Aldikacti said today.

All basic freedoms as defined by the 1789 Declaration of the Rights of Man and the charters of the United Nations and the Council of Europe would be guaranteed by the new constitution, Professor Aldikacti said.

"Basic freedoms are irreversible and the fact that they are temporarily suspended does not mean that we can indefinitely go back on them", he said.

Turkey has been accused of human rights violations ever since the military coup in September 1980, which introduced martial law and suspended a number of basic rights and freedoms.

The main points of the new constitution had been drawn up already, he said. He was against presidential systems which led to a succession of coups such as in Latin America, or to wars such as the one in Vietnam by the decision of a single president (John F Kennedy). — AFP.

The confrontation between Mr Bulent Ecevit, the former Prime Minister, and Turkey's rulers continued today when Mr Ecevit appeared before the military prosecutor for the second time this month (Razic Gurdik writes).

The reason for the summons was an alleged signed article which had appeared in the West German magazine *Der Spiegel* in contravention of a ban on political statements by former politicians. Mr Ecevit declined to comment.

Cantonese may topple English

From Richard Hughes, Hongkong, March 30

An international panel of educational authorities who have been studying Hongkong's teaching system for six months have recommended that Chinese should replace English as the mother tongue in the early years of schooling here.

The educationists came from Britain, Australia, Malaysia, Singapore, Denmark, Canada and Japan.

Mr Kenneth Topley, the Hongkong Secretary for Education, expressed doubts, however, about forcing all

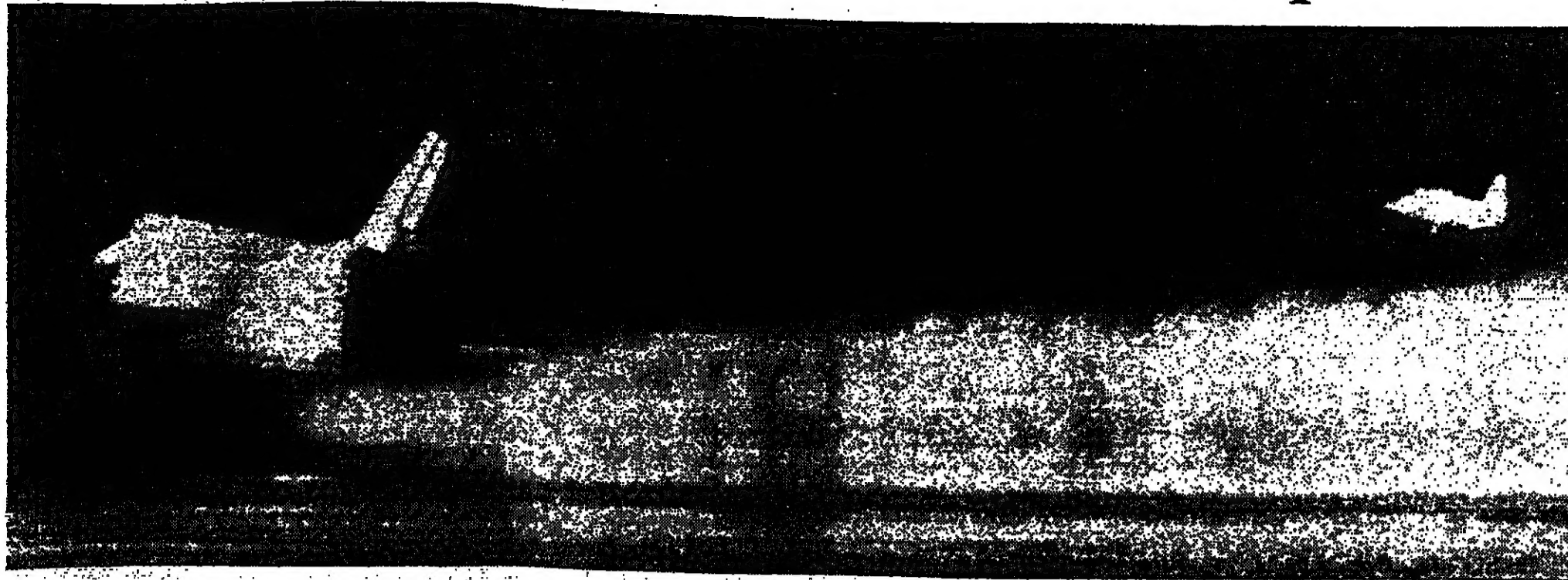
pupils to use the mother tongue for the basic years of education. It would be Cantonese and not Mandarin in any case. "I see some dangers in imposing the switch as a matter of policy", he said.

Mr Colwyn Haye, the Director of Education, also sounded a warning against "any rush into hasty decisions".

Professor Ungku Aziz, of the University of Malaya, pointed out that Malay was used as the medium of instruction in his country from kindergarten to univer-

After the third flight of Columbia: What future for the round-trip spaceship?

Why should the shuttle keep blasting off?



Science

The costs go higher and higher

The space shuttle's third orbital flight, also its longest, is intended to be followed by two further test flights before this first reusable space transportation system becomes fully operational early next year. Thereafter the shuttle programme is to gather momentum with five flights scheduled for 1983, ten in 1984 and 13 in 1985.

To accomplish this programme three further Orbiter flights will join the shuttle fleet. Then the shuttle will be ready to become the West's principal space launcher.

Ironically the high cost of developing the shuttle (\$15,000m to date, and currently taking more than 50 per cent of the NASA budget) is seriously restricting payload development. The 34-tonne shuttle is scheduled for 1983-85 is already 14 fewer than planned two or three years ago and even some of these may not occur.

Examination of the planned payloads for the first 34 flights shows them to be spread almost equally between commercial launches — mainly of telecommunications satellites — space science payloads and military missions. The shuttle's payload capacity is impressive, ranging from 27 tonnes into a low (160 miles) 28 degrees inclination orbit to 15 tonnes into a low polar orbit.

Competition for the shuttle will come from several launchers of the expendable type, principally the US Delta and the larger European Ariane.

For a wide range of space science experiments, however, which are mainly satisfied by low orbits, the shuttle is likely to dominate the field. This latest flight of Columbia carried the first simple experiments in solar physics, biology and a micro-meteorite detector from the University of Kent. The immense payload of

the shuttle will be enhanced from autumn 1983 with a laboratory, offered by the European Space Lab, which will provide working conditions similar to those on the ground. This will fit snugly into the Orbiter cargo bay and will offer access to space to a much wider community than ever before.

Exploitation of the shuttle may however develop rather slowly. The main reason is economic. The cost of the first operational shuttle launches will be about \$35m, but this is expected to rise to about \$100m by 1986.

For orbits for which there is limited traffic, such as that over the Pole, this will represent an expensive launch for each of say, three or four major experiments on board.

Where the shuttle is likely to "score" heavily is in its unique capability to rendezvous with an unmanned satellite to carry out essential modifications or even to collect a spacecraft and bring it back to earth for a major service; for example, the joint US-European space telescope due for launch in 1985.

This exciting astronomy mission will carry into space a large optical telescope capable of detecting stars and distant galaxies more than 50 times fainter than the limit of present ground-based telescopes.

An essential feature of this complex and expensive mission (\$600m NASA plus \$150m European space administration) will be the regular servicing visits to the shuttle with a planned return of the complete space telescope to earth for mirror polishing, etc., every seven to ten years, ensuring a working life of the telescope into the twenty-first century.

British space scientists will be actively involved in the development of the shuttle programme. Experiments will be carried on the first two space shuttle flights in 1983 and 1984. In 1987 the shuttle will be used to launch a major European X-ray astronomy satellite, Rosat, carrying

telescopes from West Germany and Britain.

Already NASA plans to use the shuttle to establish "a permanent presence in space". Whether this will be a large unmanned platform in near-earth orbit or a space operation centre to be used as a parking station for the shuttle and the construction of larger payloads, will depend on the level of public and political support.

Ken Pounds
The author is Professor of Space Physics at Leicester University and team leader for the British telescope on the Rosat and several other payloads due for launch on the shuttle over the next few years.

Commerce

Ferrying factories to space

The industrialization of space is the long-term commercial objective of the shuttle. It will ferry workers and materials into orbit, to build and maintain gravity-free factories and giant solar power stations.

The space factories will produce ultra-pure substances, from pharmaceuticals to new alloys and crystals for the electronics industry, which can be made only in weightless conditions. The power stations, with solar panels hundreds of kilometres across, will send energy back to Earth as intense microwave beams.

But those are visions of the 21st century. For the remainder of this one, the shuttle's main commercial application will be to launch satellites.

Up to 65,000lb of payload can be carried in the shuttle's cargo bay. Consignment of large items, like the flying laboratory Spacelab, which has been developed by the European Space Agency for use by international teams of scientists, to a variety of space packages.

For deposit of \$500 a space can be reserved. The

price for a 60lb package is \$3,000, for 100lb \$5,000, and for a 200lb package \$10,000.

Nearly 200 individuals and groups from small businesses, universities and high school students have booked space. NASA is having difficulty in filling its payload bay for the flight programme planned after next year. So potential customers are encouraged to reserve their space even if they have no firm plans on what a payload may contain.

On present trends, the non-Communist world is likely to launch 150 satellites over the next decade. Most of them will be for communications of one sort or another, from international telephony to direct television broadcasting to military communications. A smaller number will be observation craft, including weather satellites and of course spy satellites.

As a satellite launcher, the shuttle faces intense competition both within the National Aeronautics and Space Administration (NASA)

and from the European Space Agency (ESA). NASA has tried and tested conventional rockets, Delta and the more powerful Atlas-Centaur. The Europeans have Ariane, developed over the past eight years at a cost of \$100m.

ESA will hand over to NASA 60 per cent coming from France, 20 per cent from West Germany and only 2.4 per cent from Britain.

Nasa will presumably phase out Delta and Atlas-Centaur during the late 1980s, if the shuttle proves its reliability. Ariane's series of six promotional launches is scheduled to start this summer. Then ESA will hand over to NASA the creation of ArianeSpace, the French-led industrial consortium that will market and produce subsequent launches.

Ariane's order book stands at 27 firm and 16 provisional reservations, and the flight schedule is fully booked into 1984. European officials are most pleased with the launch orders they have won from three American telecommunications companies (GTE,

Western Union and Southern Pacific Communications).

ArianeSpace is currently quoting a price around £14m to put a typical communications satellite weighing 1.5 tonnes into a so-called geostationary orbit 36,000km above the Equator. That is the only altitude at which a spacecraft can orbit at the same rate as the Earth rotates about its axis and therefore appear to "hover" permanently above one place.

The shuttle leaves the satellite in a low orbit, a few hundred kilometres high, and then a small booster rocket is needed to lift the craft to 36,000 km.

Even with the cost of the booster (about £4m) the shuttle is currently a less expensive launch vehicle than Ariane, perhaps 20 per cent cheaper. But Nasa is expected to raise its charges substantially next year, under budgetary pressure from Congress.

The development programme for Ariane takes it up to Ariane 4 late in 1985, a version which will be 45 per cent cheaper per kilogram launched than the current Ariane 1. For the 1990s a winged Ariane capable of returning to Earth like the shuttle is proposed.

By then, other competitors may have emerged. Japan already has a rocket suitable for small scientific satellites and is expected to test a heavy satellite launcher within six years.

The Soviet Union has the world's largest rockets, capable of lifting 5 tonnes into geostationary orbit. While they are not commercially available at present, the Russians could be formidable competitors if the political climate changes.

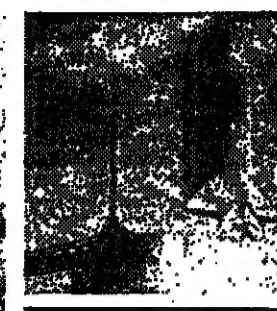
The shuttle could also encounter competition much closer to home. A group of Texan businessmen has formed a private enterprise rocket company, Space Services Inc, which plans to provide a regular launching service from Hawaii within two years. They will start off by sending up small remote sensing satellites for the oil industry but say they will move on to lift larger craft on to geostationary orbit.

Clive Cookson
Technology Correspondent

The original programme

April to June 1979
The first of six manned orbital test flights.
May 30, 1980
The first operational flight.
July 1, 1980
The second operational flight.
August 1, 1980
The third operational flight.
November 14, 1980
The fourth operational flight, then flights almost monthly.

Nasa has envisaged 20 operational flights by January 1982.



The actual programme

April 10, 1981
Launch of first manned orbital test flight delayed.
April 12, 1981
First test flight launched.
April 14, 1981
First test flight lands successfully after loose tiles and other faults.
September 30, 1981
Second manned orbital test flight planned.
October 8, 1981
Rescheduled date for second flight. Postponed.
November 4, 1981
Rescheduled date for second flight. Postponed as test results for computer and technical problems.
November 12, 1981
Second launch successful.
November 15, 1981
Columbia touches down two days early after faulty fuel cell.
March 22, 1982
Third test flight launched one day behind schedule.
March 30, 1982
Third flight lands safely one day late after minor in-flight hitches.

Military

Taking out Soviet satellites

The Pentagon in general and the US Air Force in particular have been involved with Nasa in the shuttle programme almost from the start and now see it as intrinsic to their future plans. The original assessment was that one in four flights would constitute a defence mission, but cuts in the scientific research budget should raise the USAF proportion and there has been speculation that the Pentagon could emerge in due course as the shuttle's main paymaster.

American ethics demand total separation between civil and military launches which will start in 1985 from a new site now being built at Vandenberg air base, California. Military satellites are already being purpose-built for the cargo bay of Columbia and its sister ships which will climb south over the Pacific to place them in polar orbit. Cold war will never be the same again.

This is what the Americans hope, and Russians fear. The next Big Bird reconnaissance satellite, for instance, has been designed for transit in the shuttle and will be placed in orbit on flight from Vandenberg in about three years' time. The astronauts will simply take up the new one and bring the old one down again — or, in other cases, service it in orbit.

The Soviet Union has a nightmare vision of US astronauts simply plucking Russian satellites out of space if they want to, and pirating them back to earth. On the other hand the Russians have demonstrated their own abilities to rendezvous and dock with both superpowers could deter any mischievous interference by building explosive devices into their unmanned craft.

The shuttle's re-usability and cargo capacity open a future about which it is easy

to romanticize. Not all the

visions are justified by the facts, and very little of it is comforting.

It was disclosed over a year ago that the shuttle would be used to test aiming and tracking devices of the kind that would be needed if the United States were to contemplate putting laser or particle beam weapons into space. Whether such weapons have a place in future arsenals or whether their fundamental disadvantages will restrict them to the world of space mythology is still open to doubt.

Few scientists are so sceptical that they doubt whether laser gunships will ever be possible. But they regard the prospect as more distant and less effective than the more debatable than is often assumed.

On the other hand the Russians have impressed western observers by some of their work with so-called killer satellites — bringing "kill" to within a quarter of a mile of the target then destroying it with shrapnel by means of a conventional explosive.

The shuttle would improve a nation's ability to put these anti-satellites (Asats) into orbit — or to boost them into yet higher trajectories — operating like a guided missile cruiser at sea, before returning to earth to reload.

The Outer Space Treaty of 1967 makes it clear that he who interferes with the satellites of another power is violating international law. The 1972 Anti-Ballistic Missile (ABM) Treaty outlaws space-based ABM systems and the Salt I agreement accompanying it prohibits interference by the superpowers with each other's means of verifying adherence to the terms.

But the development of space weapons has so far been allowed to continue without legal hindrance. The shuttle, on its defence as well as its scientific missions, is unfettered. To pretend that it is not to prevent the arms spiral in space would be to underestimate what is already going on. But it could become part of that spiral and could accelerate its progress.

Henry Stanhope
Defence Correspondent

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David Watt examines the growing rift between Britain and Argentina

These paltry islands keeping us apart

Britain's row with the Argentine over the Falkland Islands must be one of the most incongruous and unnecessary international disputes that has ever broken out between states. The territory in question is impoverished and inhospitable; neither country actually needs it for its own strategic purposes (alleged oil treasures are problematical and both Britain and the Argentine are well endowed with energy resources for the time being). Neither country has the slightest reason otherwise to quarrel with the other, and each has indeed every reason to be on excellent terms.

Britain made the largest contribution of any country to the Argentine's development in the nineteenth and early twentieth centuries, and the English visitor to Buenos Aires is constantly touched by legacies of the connection — the English and Scottish family names that crop up so unexpectedly linked to Spanish; the Victorian pillar-boxes (painted, admittedly, a villainous yellow) that adorn the street corners; Sir Thomas Lawrence's debt portfolio; the Duke of Wellington which still looks down its long nose at the Argentinian upper crust from above the fireplace of the Jockey Club.

Altogether, in fact, Buenos Aires is the most European of South American capitals. Because it was too poor to afford slaves in the eighteenth century, and killed off the Indian population in the nineteenth, there is hardly a black or brown face to be seen.

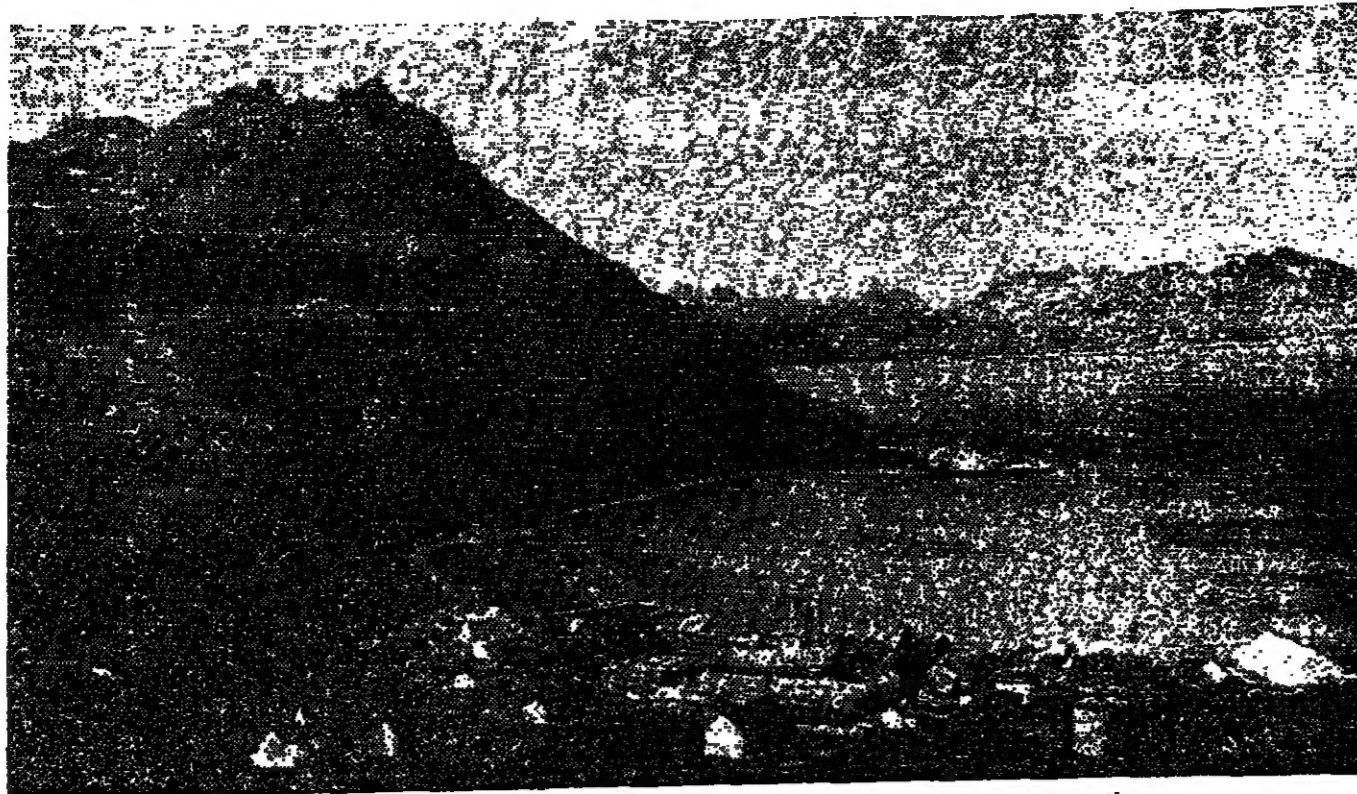
With its theatres and art galleries and belle-epoque buildings and tree-lined streets it exudes an attractive pre-war cosmopolitanism. American culture is nowhere to be seen; and in such a city the British Embassy, a vast Italianate palazzo in magni-

cent grounds, still counts for something.

Moreover, the ruling military junta has far more important things on its mind than the Falklands. At home they are slowly emerging from a five-year nightmare of terrorist violence followed by their own campaign of hideous counter-repression in which several thousands of people disappeared in the clutches of semi-autonomous, but also semi-official, killer squads. The promise returned to democratic government is being made at a painfully slow pace, and real elections still look a long way off, but some effort is being made to give a reckoning of the disappearances and to regularize the status of the 600-plus "disappearances" who are still alive and in custody. The government is also struggling with an economy still suffering from the annual inflation rate of 85 per cent which is the economic consequence of their characteristic political arrangements — wage inflation and Peronist populism and absurdly bloated defence expenditure under the military.

Abroad, their first gaze falls not on the Falklands but on the crisis in Central America to which, like most other Latin American countries, they have extremely complicated reactions. The Argentinian government does not like the idea of a marxist "belt" cutting the hemisphere in half — less perhaps because of the possibility of a southward collapse of the dominoes (the great mass of Brazil lies between them and the Caribbean) as because, being right-wing military gentlemen, they disapprove of communism in principle.

On the other hand it suits the Argentine to remain a member of the "non-aligned" group in the UN — a position they share with Fidel Castro.



The point at issue: Grytiken whaling station on the island of South Georgia.

The United States is Argentina's largest trade partner, but the country has cultivated at least a certain distance from the US for many years and has occasionally quarrelled violently with them, as when the Carter administration dropped credits and cut military aid in protest against the Argentinian counter-terror methods.

Moreover, trade with Cuba is considerable, and trade with the Soviet Union very large indeed. Argentinian officials display some slight embarrassment at this last fact, but the Soviet need for grain and meat is insatiable and the fact that Argentina supplies it without any of the difficulties that attend purchases from the US or other Western countries, brings its rewards in the form of Soviet support, or at least neutrality, in the UN when awkward questions of human rights in Argentina are raised.

The Reagan administration is busily wooing the junta, which it sees as a potentially stabilizing factor on the scene, and seems to have established some links and understanding on the private level. But the interesting fact is that neither Argentinian internal politics nor the Argentinian desire to cut a credible figure on the Latin American scene allows the junta to be seen in public as in any way a tool of

American policy. Consequently, if, as has been reported, the Argentinians are selling arms and technical advice to Guatemala and the Duarte government in El Salvador, it is being done very discreetly and is accompanied by loud expressions of desire to deal with the problem by a kind of Latin American consensus.

What such a consensus might mean in practice is almost impossible to say at present, but so far as one can make out from Argentine sources the best that anyone hopes for is that at least the situation in El Salvador can be stabilised by military means now that the elections are over. The Nicaraguan debacle, on the other hand, is regarded as a lost cause which can only be redeemed if Cuba and the United States can be induced to reach some new *modus vivendi* which makes allowance for a left-wing Nicaraguan government.

The big questions are whether either Reagan or Castro are ready to do a deal of any kind, and if so what on earth it would consist of. The Argentinian notion seems to be that if Mexico, Brazil, Venezuela and Argentina (the "big boys" of the region) can bring their combined influence to bear on the parties, some pact on the lines of the *status quo* will emerge.

To the outsider it does not

look terribly plausible, but the whole calculation is another indication of the general realization that US power is not what it was, even in what was formerly considered the American sphere of influence. And as for the Europeans, this realization is accompanied in Latin America by a mixture of muted satisfaction and acute anxiety.

It is a time for hedging one's bets, and the Argentinians are hedging theirs. They are looking to the Russians and Americans with cynicism, and a dislike that varies in kind but not much in degree. They are looking to Europe again — with scepticism and anxiety about the future of the European Community. They are valuing their Third World links and contacts and above all their newly re-ordered relationship with Brazil.

This convoluted background is important for an understanding of the Falklands issue and how it is seen in Argentina. At the official level the Falklands are clearly regarded as a second-order issue, and at most times it is not permitted to interrupt the regime's desire for European — including British — links. What is the point of quarrelling violently with one's best European contact over a matter on

which Argentina can afford to wait?

On the other hand, the sense of remoteness and alienation, the widespread desire to restore Argentina's pre-war status in Latin America — all these have created a strong popular sense of national pride whose external outlets (apart from football) are minimal. A right-wing military regime is not likely to be proof against the tug of these emotions, and a regime under political and economic pressure is not averse to a little naval diversion.

All this does not make Britain's task in dealing with the Falklands problem any easier in the short run. The Argentine claim is not going to disappear in the long run either. None the less, Argentina gives the impression of a country that has been very short of friendship and of international attention for some time. Certainly British governments have not given a great deal of either for a good many years. If further progress can be made on liberalizing the regime, broad strategic considerations suggest that a serious attempt to improve relations with this most interesting and dynamic country would be well worth the investment.

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New prisons: how better can be worse

by Rod Morgan

By 1990 the population of Britain's prisons will probably have risen from last Friday's figure of 44,148 to more than 50,000. There are at the moment 7,000 more prisoners in the system than it is equipped to hold; by 1990 this excess population could be as high as 14,000.

The obvious administrative answer to this dilemma is a massive building programme, and this is what the Prison Department, with some success, has been pressing on the Treasury. Eight new prisons are already agreed and work has started on one at Wayland in Norfolk.

But the apparent logic of this response needs to be examined very carefully. First there is only the most tenuous connection between these new establishments and relief of the overcrowded and appalling conditions in local prisons which led to protests by the Governors of Wormwood Scrubs and Strangeways and the Inspectorate of Prisons in their report published yesterday.

It takes up to 10 years to plan, design, construct and commission a new closed prison. Wayland, on which site work has begun, will not be in use before 1985. Woolwich, on which the Prison Department would like to see work start in 1987, could not conceivably receive prisoners before 1991, by which time Mr McCarthy of Wormwood Scrubs will have retired and let alone resigned in disgust.

Even were all Prison Department's new building plans to come to fruition they would not by 1990 keep pace with the anticipated increase in the population. There would be the end of the decade be some 30-40 per cent more overcrowding than there is at present. Any politician who imagines that prison staff and prisoners will accept that position for the foreseeable future is living in a fool's paradise.

First, there is no possibility of 4-5,000 cells being added to the stock by 1990. Quite apart from the planning objections and public expenditure cuts which will inevitably delay or stop particular construction projects, further accommodation will be lost because, like Brixton last year, it falls down or, like Hull in 1976, it is torn down.

The Government has announced plans to spend some £360m on major reconstruction projects at over 60 establishments during the next 10 years. Included among the list of local prisons to be improved are Wormwood Scrubs and Strangeways. There can be little doubt that this programme does represent a significant increase in the proportion of the prisons budget devoted to major works of existing sites as opposed to new construction on new sites.

Should anyone feel reassured by what appears, on the face of it, to be a highly desirable shift in policy? The answer, regrettably, must be no, and for two reasons. First, the local prisons on which a major part of the refurbishment budget is to be spent, are not squallid slums because they are outmoded Victorian prisons falling down. Clearly their facilities are far from adequate, and need improvement. But the dreadful conditions in local prisons are primarily the consequence of the too intensive usage of those establishments. They are grossly overcrowded.

No increase in the refurbishment budget will, of itself, relieve that burden. In fact, unless there is either an overall decrease in the prison population, or redistribution of the population between

existing establishments, refurbishment programmes will necessarily increase overcrowding. You cannot improve cells while they remain occupied. Indeed, by definition, the more radical the improvements the greater the loss of accommodation.

Which leads me to a second criticism: the £360m does not allow for the provision of integral sanitation and given the Government's reluctance to reduce the prison population by direct intervention, for very good reasons. The provision of integral sanitation in most nineteenth century buildings would, according to Prison Department estimates, mean the loss of one in three cells.

If the prison population goes on rising, and in the current political climate the Department must, quite rightly, assume that it will, then no improvements involving loss of cells are practicable.

Home Office ministers are already attempting to disarm their critics — particularly those who favour a moratorium on new prisons — by quite misleadingly shifting the ground on which the debate takes place. If you want integral sanitation at prisons like Wormwood Scrubs, their argument goes, do not oppose the construction of Ful Sutton (a proposed maximum security prison at Woolwich: you cannot have one without the other).

The choice is entirely false. In fact, unless the prison population is reduced, we will not get integral sanitation or better conditions in any of those prisons currently hard-pressed. We shall just get more prisons — and more, and more.

Prisoners know this. Prison staff know it. Mr Whitelaw has impressed most people concerned with prisons as a humane Home

Secretary sincerely pursuing a honourable, liberal Tory tradition. His emphasis has been on compromise and exhortation. He has failed. It must now be borne in on him that his U-turn regarding the extension of parole is a price of irresponsibility, not least because everyone he served would dare to carry it through.

His change of heart can only lead to confrontation, staff refusing to accept new commitments and prisoners, destroying their cells. Nor is it any use Mr Whitelaw referring to the recent decline in the number or length of sentences. Even with such a decline, the prison population remains higher than that predicted by the Department in their evidence to the May Committee in 1979. The lull represents no more than some cooling in the law and order around stimulated by Conservative rhetoric on the 1979 hustings.

In Home Office corridors the talk is all of things having to get worse before the political will is summoned to make them better. Mr Whitelaw cannot spend his build his way out of this corner. If the population is not reduced, in large numbers and now, then all of his capital expenditure programme is destined, probably quite literally, to go up in smoke.

The author is Senior Lecturer in Criminology at the University of Bath and co-author of *The Future of the Prison System*.

Henry Fairlie

Is this the end of Democracy as Benn knows it?

Washington. By a series of expected but nonetheless dramatic decisions last Friday, the Democratic Party moved in exactly the opposite direction from that in which Mr Anthony Wedgwood Benn and his allies have led the Labour Party, and the differences between them are too important to ignore. The decisions taken by the Democrats at least have the intention of strengthening their chances of surviving and even winning.

With hardly any spoken dissent and only a few dissenting votes, the Democratic national committee, the governing body of the party, changed the rules by which its Presidential candidate will in future be chosen. The intention of the changes is to reduce drastically the role of the party's rank and file and to increase significantly the influence of its responsible leaders.

After the Democratic national convention in 1968, when the party was bitterly divided on the issue of Vietnam between the bosses and the rank and file, it set up a commission under the chairmanship of Senator George McGovern. The reforms which were adopted

from that commission's report gave the rank and file an almost exclusive voice in choosing the candidate and writing the platform.

Senator McGovern, having rewritten the party's rules and so understanding them better than most people, then exploited them. He put himself forward as a Presidential candidate, captured enough delegates in the primaries and rank-and-file caucuses to win his party's nomination on the first ballot, and was then resoundingly defeated in the actual election. But one cunning man in Georgia had learned from that year.

Even before Senator McGovern had been defeated, Governor Jimmy Carter began his Presidential campaign. Exploiting the McGovern rules to the full, he secured down delegation after delegation of the rank and file, through the primaries and rank-and-file caucuses, until he also went to the 1980 convention with his nomination assured, but at least he then won the election.

He only just scraped ahead of Gerald Ford in the end, however, even though the whole post-Watergate atmosphere ought to have made his victory easy, and the absence

of real political support dogged him in office. He used his position as President to tighten the rules still further in his favour. But even so, he barely held off Senator Edward Kennedy's late challenge in 1980. He then, like McGovern before him, lost the election.

The party's responsible leaders both nationally and in the states decided that they had had enough of a nominating system in which the rank and file had the power to throw up relatively unknown candidates who then turned out to be losers as national leaders. Even when he succeeded in winning the Presidency, Jimmy Carter lacked the political base within his own party to govern effectively and so threw away his party's chances to enjoy a second term.

So the party's leaders, acting through its national committee, set up another commission, this time under Governor James B. Hunt of North Carolina. It was the proposals of the Hunt commission which were adopted almost unanimously last Friday.

The new rules require that 14 per cent of the delegates to the national convention in

1984 shall be uncommitted to any candidate. This large uncommitted block of about 550 delegates will be in addition to the committed delegates who are selected in primaries or rank-and-file caucuses. It will consist of two-thirds of the Democratic members of the Senate and House, and of elected Democratic members of state legislatures and other state and local office holders.

This powerful block of party leaders, elected by the actual voters of the nation and not by the rank-and-file activists of the party, uncommitted in advance to any candidate, will at least have the capacity to defeat a candidate who has no real political following, other than that which money and the media can buy. The nominating process will again be strongly influenced if not determined by those politicians who must win the ordinary voters.

Another change requires strict enforcement of a new rule which limits the length of the primary and caucus season to 15 weeks in contrast to 20 weeks in 1980. The third important change ends the requirement that all candidates be given a percentage of delegates to the national convention in

proportion to the number of votes which they receive in the primaries or caucuses. Mr Carter would not have won the nomination in 1980 if he had not gained large numbers of delegates in the several industrial states where he was defeated in the primaries by Senator Kennedy.

These reforms are by no means foolproof. On the contrary, some Democrats have argued that they may well have consequences other than those that are intended, as reforms often do. But this is why the lack of opposition to the changes from within the party is important. Where there is so much agreement about what has been wrong, it is more likely that the new rules will be effectively used to put things right.

The unity shown in the Democratic national committee, which is drawn from the real party leaders across the country, is a mark of the Democrats' determination to recover their balance.

From here, one has noticed that Mr Wedgwood Benn and his allies, over the past few years, use arguments drawn from the American political system. Those arguments have been misleading, anyhow, based on a total misinterpretation of the system.

But insofar as they have had any validity at all, that has been supplied by the fresh procedures of the last 10 years, which the Democratic Party has now acted to bring to an end. The activist rank and file is being put back in place.

One last reflection is worth adding: the self-correction in which the Democratic Party is now engaged — including the evidence that it will re-establish itself in the centre and again bring together a coalition of various economic and social classes and groups — is an indication of the vitality of the two-party system in America that should be noticed. The two-party system here is exhibiting a striking new resilience.

There is something deeply reassuring in this. As the two major parties both shed their extreme wings and settle down to contend again for the centre, revitalizing the traditional two-party mechanism that promises a return of stability in government, one is bound to ask questions about the road down which the Social Democrats seem to be pointing in Britain. The two parties here look more solid now than any of the four British parties.

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Never in Britain, says a Nobel Prize winner

Elias Canetti, the winner of the 1981 Nobel Prize for literature, has banned the publication of his autobiography in Britain. Canetti, who was born in Bulgaria, brought up in Vienna, and who writes in German, now lives reclusively in Hampstead — having had a home in Britain since 1938 — and Zurich. Roger Straus, of his American publishers Farrar Straus Giroux, says: "Along of all the countries in the world, Canetti does not want his autobiography published in Britain. He will not talk about it, but he does not want it, and that is final."

When he won the Nobel prize, Canetti was almost unknown in this country and his books unpublished here or difficult to obtain. Marion Boyars, who had published his strange and personal travel book *The Voices of Marrakesh* in 1978, complained that Canetti had been so completely neglected by the literary establishment that it had not been reviewed anywhere. There were heavy reissues of his philosophical study *Crowds and Power* and of his major novel, *Auto-da-Fé*, which Cape had published in a carefully supervised translation by Dame Veronica Wedgwood in 1946 but allowed to go out of print.

Admirers believe Canetti's two volumes of autobiography constitute "a remarkable document of our age" detailing a life which reads like fiction. *Die gerettete*

Zunge, taking his story up to 1921, is published in America as *The Tongue set Free*. The second volume *Die Fackel im Ohr* covers the next decade, and Canetti's meetings in Vienna with famous figures like Brecht, Thomas Mann and Karl Kraus. Straus is to publish it in the United States in June under the title *The Torch in my Ear*.

Bad to verse

Spike Milligan, in exuberantly loony form to launch his new book *The 101 Best and Only Limericks of Spike Milligan* the other night, dashed off an extempore offering for his friend Michael Foot, leader of the Opposition. Here it is: "There was a place called Hillhead Voted by every Tom, Dick or Fred I'm glad to say I did not vote that way 'I'd rather be bloody well dead.' The Soppo Dope Party, Spike explained afterwards, does not scan either."

Major step

The policeman who brought Britain majority verdicts retires today. Sergeant Richard House, the head of Leicestershire police statistics branch, was the back-room boy who compiled the statistical data on which Sir Robert Mark, then chief constable of Leicester, was able to base his campaign for majority verdicts in jury trials. He had won a Law Society view that the proportion of acquittals

THE TIMES DIARY

The EEC is taking steps to stop German producers from using Italian wines, many of which are granulated sugar and even sulfonates to boost their production, will embarrass some of the biggest-selling brands in Britain. Wine Nur, Black Tower Crown of Crouns and Hans Christof are sold in such quantities that it will be difficult to keep up supplies if the shippers are no longer allowed to mix in the wines of several German regions as has been their wont.

Monthly, for the news that under an ultimatum from Brussels the German federal government has decreed that henceforward all Liebfraumilch must come from one clearly stated wine-producing region.

was too small to justify a change, yet an acquittal rate of almost 40 per cent in cases of violent crime. Mark decided that a thorough review of the figures was required.

Using House's expertise, a local survey of acquittals in contested cases was followed by reviews in the Midlands and nationwide, providing the evidence which persuaded Roy Jenkins as Home Secretary to introduce majority verdicts in the Criminal Law Act of 1967. Without them Peter Sutcliffe, the Yorkshire Ripper, convicted on 13 counts by majorities of 10 to two, might have gone free.

Pons asinorum

The engineers of a construction company building a nuclear power plant near the central Spanish city of Guadalajara are paying tribute to their ancient

Roman predecessors. One of the huge parts for the reactor is too heavy to be delivered to the site at St. over the modern concrete bridge across the Renares river. The builders have asked permission to truck it instead across a narrow stone bridge on an abandoned road, a bridge which, they have determined after examination, is a lot more solid and can take the load without strain.

It was built by the Romans, about 2,000 years ago. The Rector of Bath Abbey, Prebendary Geoffrey Lester, inspired by the Police Federation, has posted a petition for the return of capital punishment, in the abbey porch. The signatories to date include Jack Ketch, giving an address in Lower Hales, Bath. George Jefferys and Albert Pierrepoint, who adds to his name "unemployed".

Eros upstaged

A regal Countess Spencer in bright blue coat and matching hat upstaged Eros yesterday when she and a select party of VIPs went walkabout in Piccadilly Circus.

The group — Michael Montague, chairman of the English Tourist Board; Sir Robert Cooke and Mary Baker, chairman of the London Tourist Board — were looking for ways in which the appearance of the area could be improved.

A policeman detached himself from his normal duties to escort the privileged few through the bumper-to-bumper traffic to the

booting annoyance of a hundred cabbies.

From the mausoleum that Swan and Edgar — now cloaked in bile-green 26ft high hoardings — has become, to the building site that will become the Trocadero shopping and leisure centre, the party pondered. The only concrete suggestion was that a mural competition might be held to decorate the hoardings and that those involved in redeveloping the area should be generally chivvied along.

Tending the garden

PHS notes with equal surprise and pleasure the degree of success the vigorous Lady Trumpington is having with her attempt to repeal the shop hours provisions of the Shops Act 1950. What has happened to Lord Allen of USDAW (more properly Earl of lowfield) who was strangely absent from committee when a compromise amendment to restrict Sunday opening to 1 pm was soundly trumpeted?

What has happened, also, to Lord Sainsbury, who in 1979 spoke out against the far-reaching social and economic consequences of a more modest extension of Sunday trading proposed by Lord Ponsonby? On Monday he was more particularly concerned to ensure that garden centres should continue to be free to sell tools and accessories on Sunday afternoons. Sainsbury's do now have half-shares in two Homebase stores, with garden centres attached which open on Sundays. Another 15 are planned for the next two years.

Blue mail

Barrie Seal, the member of the European Parliament for West Yorkshire, is annoyed at the junk mail he is receiving from the parliament's secretariat. At his British base in Bradford City Hall he received a 4ft parcel, on which he had to pay £2.37 excess postage. The parcel contained envelopes, but Mr Seal, a Labour MEP, would rather have red.

Sheffield University's psychology department is offering the services of six professional baby sitters, research workers trained to observe the babies' reactions to them. The Department of Health and Social Security is providing £38,000 for a two-year project intended to discover what babies think of strangers who take care of them while mother is out.

Mugging up

Though the accent is heavily leaving at the National Union of Students conference in Blackpool, there is surprising interest in one decidedly capitalist stall which offers electronic games from Invaders' Revenge to Cosmic Guerrilla for hire to student unions.

The Liberals try to raise the intellectual tone, prominently displaying John Stuart Mill's *On Liberty*. The SDP mix the collective thoughts of Owen Williams and Rodgers with beakers endorsed: "I'm an SDP student mug."

PHS

Saving Old

From Mr A. K. Noddy, Sir, Referring to your article in February 15 on "Preserving Old Buildings" signed by Sir H. H. Williams, since my chairmanship of Antiquities Or November 1981 have been immense. I have been asked to consider the value of old buildings and monuments. When a committee of experts is not required, confirmation that a general rule exceptions: it is time that the really sanctioning of a committee wishes about done to his own. The 1959 Act would amend practice a w

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FORK IN THE ROAD TO UNITY

The publication of the final report of the Anglican-Roman Catholic International Commission (ARCIC) marks the end of one phase in the long process of reconciliation between the Anglican Communion and the Roman Catholic Church, but certainly not the end of that process itself. The commission's findings are those of a group of theologians, not of either Church as such. The participants on both sides have travelled together along a road where their respective mandating authorities will not automatically be prepared to follow them. The results are to be of durable significance "only" to the extent that they are "sold" to opinion on both sides by an intensive campaign of explanation.

Even if and when they gain authoritative endorsement on both sides, the conclusions of the commission do not in themselves provide a blueprint for organic union between the two Churches, or even a sufficient basis for Rome to authorize reciprocal intercommunion. To do that would mean accepting the validity of the Eucharist as celebrated by an Anglican priest, and that in turn involves accepting the validity of the commission's work. The work of the commission has certainly made such acceptance easier to envisage, by revealing

how much common ground there is, behind seemingly conflicting phraseology, in the theology both of the Eucharist and of the priesthood as understood by the two sides. But that cannot in itself unsay the awesome words of Pope Leo XIII, whose Bull *Apostolicae Curae* pronounced Anglican orders absolutely null and void. It is not surprising that both the Anglican and the Roman Catholic co-chairmen of the commission have said that the next major step towards union was for the Roman Catholic Church to reopen this question.

Before full union could be contemplated a number of other thorny issues would have to be tackled; some of which were enumerated by Dr Runcie at an ecumenical service in Westminster Abbey a year ago: such issues as contraception, the married clergy, the degree of freedom of local churches from Vatican Control, the authority of the various Vatican Congregations. To these may well be added the question of the ordination of women, which is already an accepted practice both in the free churches with which the Church of England is in the process of entering into a Covenant and in some parts of the Anglican Communion itself.

Anglicans for many centuries have found a positive virtue in espousing a *via media* between Rome on the one hand and full-blooded Protestantism on the other. One disadvantage of that position, when church unity on the agenda, is that Anglicanism feels itself pulled in two opposite directions. Rapprochement with one side can itself become an impediment to the same process with the other. Thus the sealing of that Covenant has been opposed by those who have misgivings about its effect on relations with Rome.

Yet such misgivings are probably misplaced, because the time scale of the two operations is so different. Progress towards mutual understanding between Rome and Canterbury is an immediate reality, and a very important one; but actual union between the two is surely a generation away at least. To be blunt, it is hard to envisage the problems enumerated by Dr Runcie being resolved in a way that Anglicans could accept within the pontificate of the present Pope. That should not, of course, prevent Anglicans from welcoming John Paul II with enthusiasm. But the time scale of rapprochement with Rome is such as to allow plenty of time for the fruits of the Covenant to ripen.

LIMITS OF COMPULSORY TREATMENT

Parliament only finds time to legislate on the rights of the mentally ill every 20 years or so, so when a Bill is produced, it is worth going to some trouble to get the details right. The ideas behind the Mental Health (Amendment) Bill have been mulled over by successive governments and organizations concerned with mental health for at least seven years, and there is enough agreement by now for everybody to accept that in essentials it is a valuable measure. But even after the polishing it received in the House of Lords there are still points of disagreement, narrow but deep, which may not be easily resolved.

The Bill affects only those patients who are admitted to hospital or held there compulsorily. It is to the credit of our mental health services that nine out of every ten mental patients today are voluntary patients. They have the same rights as any other citizen to refuse treatment; they do not like and discharge themselves from hospital. Detained patients have a legal right to appeal at intervals to tribunals of doctors and laymen if they think they are being held unfairly. But the law is not entirely clear as to whether detained patients, who may be incapable of making responsible decisions for themselves, have any formal claim to be regarded as competent to give or withhold consent to treatments that their doctors consider advisable.

When it comes to the point, doctors generally consent to the assumption that consent is not required. The Bill will confirm that assumption, as a general rule with specified exceptions: it will be the first time that the law has specifically sanctioned the overruling of a competent person's wishes about what should be done to his own body.

The 1959 Act which the Bill would amend gave doctors in practice a wide discretion

over their patients, which was an improvement on the inflexible process of legal certification which had gone before, but which looks more questionable today, when the use of psychiatry in eastern Europe, and some scandals at home, have made us more sensitive about the civil rights of the mentally ill and handicapped. The Bill sets out to strengthen the safeguards within the bounds of medical discretion and practicality. It will make access to tribunals easier and more frequent, and give effect to the recent decision of the Court of Human Rights censuring the Home Secretary's power to overrule tribunals' decisions, as well as creating a legal framework for resolving problems to do with consent.

In most of this, it carries general goodwill. But several points remain in dispute. Doctors and other medical staff have resisted attempts to remove the legal hurdles that virtually prevent detained patients from suing staff for assault or negligence. Their fears of vexatious litigation are understandable, but it is important that patients should not feel that the system is biased against them, and there is a case for adopting the slightly less forbidding hurdle ("prima facie case" instead of "substantial grounds") which has worked satisfactorily for 10 years in Northern Ireland.

The most important matter at stake is the problem of consent to treatment. The Government have already moved further towards the position of the patients' rights campaigners than many psychiatrists like, but are being pressed to go further still. When amended as promised, the Bill will divide treatments into three categories. The doctor will be able to act without the patient's consent in an emergency or to guarantee general nursing care. For treatment with drugs, surgery or electro-convulsive therapy

(ECT), the doctor may overrule a refusal of consent if a second psychiatrist (unconnected with the hospital and nominated by a commission which is to oversee the operation of the Act) agrees. But for a very few irreversible and hazardous treatments there will have to be a second opinion and the patient's consent, and a group of three assessors (one of them the psychiatrist giving the second opinion) will have to confirm that the patient is competent to give his consent.

There is concern among doctors that these procedures are too cumbersome, and that they impinge too far on the fiercely-protected area of medical discretion. Fears that a doctor may be unable to cope with a patient who is a danger to himself or others, or may find himself unable to treat an obstinately obstructive patient at all, probably underestimate the scope in practice of the emergency provisions and the likelihood that the second psychiatrist will apply reasonable criteria in assessing a patient's competence. He may have reservations about the precise treatment proposed, but it is unlikely that he and his colleague will be unable to agree on any treatment at all.

The proposed procedure for hazardous treatments involves no intrusion on the strict area of clinical discretion: assessing treatments is a matter only for doctors, but assessing competence is not. But those who would like to see these complex procedures applied to a much wider class of treatments underestimate the practical difficulties of doing so. There is real public concern about the use of ECT, in particular. But it may not be easy to convince the standing committee that consent should be met by inclusion of ECT in the category of "irreversible and hazardous" treatments, rather than by improving clinical procedures for its use.

Saving Old Cairo

From Mr A. Kadny
Sir, Referring to the letter published in *The Times* on February 18 under the headline "Preserving Cairo's Old City" signed by Sir Harold Beeley and others, since my appointment as a chairman of the Egyptian Antiquities Organization last November immediate measures have been scheduled to face the tremendous challenge which the 500 monuments of Islamic Cairo represent.

Priorities were duly determined in the frame of a plan, ending by 1985, including the dismantling and re-erection of 24 monuments after isolating the threatening sub-surface water and the necessary architectural and archaeological documentation. Scientific plans in this respect and research works are undertaken by competent consultants and with close cooperation with Unesco, and already several monuments are under restoration.

Concerning Unesco's conference recommendations, concluded at Cairo in December, 1980, I would like to confirm that contacts were held with the Department of the Human Heritage in Unesco to put the above-mentioned recommendations into effect.

An Islamic Unesco expert, Dr J. Antonio, stayed in Cairo for more than two weeks to consult with us on the necessary steps which should be adopted. Consultations with the Governorate of Cairo and the local

authorities concerned, including the Unesco expert, were made to establish the Cairo conservation agency.
A moratorium had already been issued for the application of the second item of the recommendations, and further studies are being undertaken by the permanent committee of the Egyptian Antiquities Organization to determine any factual and final modifications.
As for the use of reinforced concrete or cement, it is firmly confined to necessary and urgent cases and the utmost care is taken not to extend it to pure archaeological elements. The production of an alternative material is already taking place and should be in use very soon.

Yours faithfully,
A. KADNY, Chairman,
Egyptian Antiquities Organization,
44 Fakhr Abdel Nour Street,
Abbasiya.

Rail to road

From Mr W. A. M. Barter
Sir, The study of conversion of railways to roads as reported by *The Times* (March 24) leaves much unsaid, which casts doubt on the validity of its conclusions.
Astoundingly, the actual cost of the conversion is not mentioned. The Department of Transport has recently turned down the completion of railway electrification to Cambridge since the rate of return, 18 per cent, is too modest. May we know the rate of return to be expected from this conversion?

A double-track railway has a width of about 20 feet, about the same as a suburban back street. Unless a very modest road is accepted, I cannot imagine that the cost of building a road will be reduced by the fact that a railway once ran on the route, following an alignment which would never have been chosen for a road, with heavy earthworks needed to reduce curves and gradients to suit vehicles, but all of which must be converted.

Note that the cost of 57 miles of motorway from Warwick to Oxford would cover about a third of the most extensive B.R.'s electrification programmes, enough for more than 2,000 miles of route.

The only system of road transport that shows any advantage over rail in land-use is one dedicated solely to public-service buses. Since this is also the only system that existing works would accommodate, references to juggernauts are irrelevant and, as both forms of transport are extremely safe, calculations of deaths saved are spurious.

If a conversion is feasible its best chance is with the generously built and lightly used Marylebone lines, but no lightly used service will justify much investment of any sort. I am sure that any available money would be better spent on improving the existing railways.
Yours faithfully,
W. A. M. BARTER,
57 Ellingham Avenue,
March,
Cambridgeshire.
March 24.

On the logic of centrism

From Mr Jack Rendle

Sir, In your leading article of today (March 27) you state that the logic of centrism is either an intermediate series of coalitions, or else a one-party state. With respect, coalitions of the centre are means of obtaining the greatest public support in times of national crisis.

Coalitions were formed in 1931 and 1940. Can we afford not to have one now or do you believe that either Mrs Thatcher or Mr Foot is capable of uniting the country? In 1984 we may well see the Conservative centre join the Alliance.

You faithfully,
JACK RENDLE,
Mill Cottage,
Colchester,
March 27.

From Lord Chelwood
Sir, Chris Patten (feature, March 30) is surely right to remind Tories that the SDP is a left-wing party and should not attract their votes. Bill Rodgers, probably the most right wing of the "Gang of Four", has confirmed that his party is "left of centre". In the same issue of *The Times* you report David Steel as saying that so far from the SDP pulling the Liberals to the right, if anything it is the other way round.

Thus it makes absolute sense for moderate socialists to join the SDP, leaving the Marxist rump to its extreme policies, but none at all for "moderate" Tories.

Yours sincerely (and a bit "chelly"),
CHELWOOD,
House of Lords,
March 30.

From the Director, Campaign for Electoral Reform

Sir, One source of solace for the thousands of people campaigning for electoral reform since 1974 has been the steadfast support of *The Times*. Parliament Square might sooner but Printing House Square was always staunch.

All the more shock to us to read your leader of March 27, which seems to indicate that you have changed sides in the debate on proportional representation. What can have happened? Has *The Times* been captured by the band of first-past-the-post fanatics? Is a rescue party needed? I think we should know.

Yours faithfully,
RICHARD HOLME,
Director, Campaign for Electoral Reform,
50 Chandos Place, WC2,
March 29.

Jury qualification

From Mr David Wolchover

Sir, The Home Secretary may or may not be right to argue that "juries should be representative of the law-abiding community" (Parliamentary Report, March 26). (Might not an accused with 10 previous convictions for theft who has been captured in asking for a jury of burglars?)

At the very least, however, the Government's view that disqualification from jury service must be widened to embrace anyone convicted of an imprisonable offence within the past 10 years would seem to jar badly with the spirit and provisions of the Rehabilitation of Offenders Act 1974, notwithstanding the exemptions allowed by it.

Yours faithfully,
DAVID WOLCHOVER,
11 King's Bench Walk,
Temple, EC4,
March 26.

Italian mail delays

From Mr Denis Mahon, FBA

Sir, Further to your correspondence concerning the Italian postal system (March 18, 20 and 25), the demerit of that service is that pure luck appears to play an altogether too large a part in its functioning. For example, a clearly addressed express letter sent to me in London on March 17, with a Milan stamp cancellation mark, reached Athens (sic) on March 21, judging by postmark on the back of the envelope.

Having been redispached thence, according to a second Athens postmark of 11 am on March 22, it reached me in London by the first delivery on March 23.

Yours faithfully,
DENIS MAHON,
33 Cadogan Square, SW1,
March 25.

Trade restrictions

From the Reverend Francis McCarthy

Sir, The President of the Royal Academy of Arts calls (March 29) for the exclusion of advertisement-bearing taxis from Hyde Park.

Nearly 120 years ago the young Father Herbert Vaughan tried to save money by doing the shopping himself in his new Foreign Missionary College at Mill Hill. He used to drive a cart to avoid the expense of a carriage licence. Trying to take a short cut on shopping day he was stopped by a policeman and told that "carriages only" was the rule in the park.

Vaughan pleaded that his cart might be regarded as "a poor gentleman's carriage" and, thanks to his clerical appearance, had all but carried the telltale board on the back of the cart bearing the words, "Herbert Vaughan, Mill Hill." The future Cardinal-Archbishop of Westminster was instantly ejected from the park.

Yours faithfully,
FRANCIS MCCARTHY,
St Joseph's College,
Lawrence Street,
Mill Hill, NW7,
March 29.

Loss of naval establishments

From Captain Stephen Roskill

FBA; RN

Sir, The Government's decision to slash the Royal Navy's surface fleet, despite the very evident anxiety which it provoked in Parliament and in the country's maritime community, was bound to lead to parallel cuts in naval training establishments. But the announcement (March 24) about two of the most famous establishments, HMS Warrior and HMS Vernon at Portsmouth, originally the premier gunnery and torpedo schools but whose functions have changed and in some respects widened since the war, must have come as a severe shock to all who feel concern over the Government's policy.

Despite statements that these drastic steps have nothing to do with the adoption of the Trident missile, and the building of enormous nuclear submarines at vast cost to mount the missile, it is hard to believe that there is no connexion between the two aspects of defence policy — namely deterrent strategy and conventional defence. But there is another side to the substitution of missiles for men, namely, its effects on the national services other than those concerned directly with defence, such as the fire service, the police and the prison service.

I have often taken seminars or given lectures on training for leadership at the Fire Service Staff College, prison governors' conferences and so on, and I

Football question

From Mr Derek Jewell

Sir, Your Football Correspondent, Stuart Jones, is emphatically right in his assessment (March 22) of "the crass stupidity of the overloaded and archaic league structure". He is not alone in his views.

Mr Keith Birkenshaw, manager of Tottenham Hotspur, is advocating, totally rightly, I believe, the premier league of English soccer should consist of far fewer clubs, so that our football at the highest level does not continue to be ruined by ludicrous fixture overloading.

What matters now is how the collective mind of the Football League can be changed, by persuasion or force. The blame the league bears is heavy indeed. I suspect that England's poor World Cup showing post-1966 is chiefly the league's fault. The insistence of these men, largely representing minor rather than major clubs, on perpetuating the same old league programme has season after season, left our leading players with bodies and appetites dulled by too much football, ill-prepared for taking on the cream of the world.

In America the college gridiron

EEC elections

From Mr Philip Goldenberg

Sir, Your leader (March 13) on the proposal of the European Parliament for a uniform electoral procedure for the next round of European elections contains a number of fallacies; and the subsequent letter from the Marquess of Douro (March 17) compounded them, while adding a few of his own.

Firstly, the resolution of the European Parliament (which is a framework for domestic legislation rather than a definitive proposal), while aimed at a regional list system, is not actually incompatible with a modified form of single transferable vote.

Secondly, even on a regional list basis, it specifically permits member states to legislate for voter choice between candidates of the same party, thereby obviating your main (and correct) criticism of list systems in general ("favours the party organisations too much").

Thirdly, if the framework proposed by the European Parliament loses "the concept that an MEP has a responsibility towards a particular constituency" (your leader) and/or "removes the direct relationship between the voter and his personal representative in Strasbourg" (Lord Douro), then both of you are blissfully unaware that the additional member system (which Lord Douro explicitly advocates and you implicitly favour) would entail the creation of a separate class of MEPs who had no constituency responsibilities whatsoever. As for Lord Douro's additional comment that regional list systems are open to abuse, the abuses he refers to could easily be obviated by appropriate provisions in the related domestic legislation.

Finally, the political truth of the matter may be simply stated. The proposals of the European Parliament may not be ideal, but they are manifestly reasonable. For the UK Government now to try to kill off fair voting for Europe by claiming to disagree with these proposals would be pure humbug. Their spokesman when the House of Commons debated the Lib/Lab proposal for fair Euro-elections in December, 1977, Mr Douglas Hurd, who is now a Foreign Office Minister, said then that he welcomed the fact that the Community would agree in due course to common electoral systems: his whole argument for first-past-the-post at that time was to avoid what he perceived as the difficulties of changing systems twice.

There is no valid reason whatsoever why he, not the Government, should be held responsible for not following the logic of his argument, and act positively in support of the European Parliament's proposals.

Yours faithfully,
PHILIP GOLDENBERG,
White Trees,
White Rose Lane, Woking,
March 18.

Council spending

From the Leader of Hampshire County Council

Sir, I was dismayed to read the article by David Walker on March 11 claiming the teachers' pay claim. He says:

In fact, treasurers have padded various items to give a margin... The money is hidden from the public in various reserves. In Hampshire for example, while 4 per cent is the publicized limit of how much the county council can pay, it could afford a pay settlement for teachers and others of up to 14 per cent in excess by dipping into various reserves.

Those items referred to are in the local authority's budget. The Hampshire budget contains no padding whatsoever and there is no money hidden from the layman's sight. The reserve referred to is in fact our revenue contribution to capital expenditure which, in recent years, whatever the financial pressures may have been, the county council has never abandoned. If it had to be used to pay out excess inflation it would mean that we would have to borrow money to finance that capital. Hardly a piece of padding tucked away from the layman's sight!

The true position for Hampshire and many other authorities is that we have done our best to maintain existing services as far as possible and by doing so are spending right up to the levels accepted by Government.

If we had allowed for additional expenditure, then Government grant would drop £1 for every extra pound of expenditure.

Yours faithfully,
MARTIN HASSECK,
104 Holders Hill Road, NW4

Churchillian view of European link

From Mr A. N. Duff

Sir, Mr Julian Amery (feature, March 25) may not have seen Sir Winston Churchill's memo to his Cabinet of November 29, 1951 (a few days after the Maxwell-Fyfe speech). The PM said he had "never contemplated" the United Kingdom joining the Schuman plan on the same terms as the Continental partners.

We should, however, have joined in all the discussions, and had we done so only a better plan would probably have emerged, but our own interests would have been watched at every stage.

Our attitude towards further economic developments on the Schuman lines resembles that which we adopt about the European Army. We help, we dedicate, we play a part, but we are not merged and do not forfeit our character or Commonwealth-wide character.

I should resist any American pressure to treat Britain as on the same footing as the European states, none of whom have the advantages of the Channel and who were consequently conquered.

Succinct, reactionary and quite wonderful.
Yours faithfully,
ANDREW DUFF,
15 Mount Pleasant,
Cambridge,
March 25.

The age of the cable

From Mr Martin Guinner

Sir, The Government's decision to support a cable information network is significant for many reasons but most of all because it recognises the new direction to our lives from the new communications technology. A technology that has given us the dream of man down the centuries, namely "Leisure". Yet leisure without work, like raw alcohol, is a killer.

More and more of us are going to work in our homes — dealing and trading — nay, that the micro processor and the semi-conductor have made it unnecessary to deploy the total labour force to sustain industry and agriculture. This needs to be recognised by all of us, not just by Government, if we are not to create a shambles even greater than that caused by previous industrial revolutions. The management of communications and art do not walk hand in hand and science to-day is walking much, much faster.

Yet communication is both an art and a science and it is the humanities who need to match up to the new era. Schools and universities should teach the social and economic effects of the new technology. Scientists and engineers, trapped within their own impoverished literature of abbreviations and symbols, bewildering even to the cognoscenti, cannot teach us.

We need to teach our managers the management of communications for if we lose control of this revolution we shall have lost control of the next half-century. Yours sincerely,
MARTIN GUINNER,
Ansty House,
Ansty,
near Salisbury,
Wiltshire,
March 23.

The Stubbs appeal

From Mrs Stella A. Walker

Sir, In 1642 Sir Thomas Browne, in *Religio Medici*, wrote: "I can look for a whole day with delight upon a handsome picture, though it be but of a horse."

Today, for many of us, Stubbs' "Citracker" fulfils that role. The picture should remain in this country. Yours faithfully,
STELLA A. WALKER,
Watermill Farm,
Warbleton,
Heathfield,
East Sussex,
March 26.

Surgeon's hungry allies

From Dr Neville Roussak

Sir, By a singular coincidence, as I read Mr Dencer's informative and amusing letter (March 23) his favourite film, *The African Queen*, is being shown on BBC2 and the redoubtable Hepburn is removing leeches from Bogey's torso. These must, indeed, be African leeches, but Mr Dencer will forgive me if I remind him that it is the green, or Hungarian leech, as stated in your original note, and the speckled, or German leech, which are the varieties of *Hirudo medicinalis*, according to Martindale's *Extra Pharmacopoeia*.

And *Hirudo* the leech, perched on his bottom and sucking away at the skin flap so artfully contrived by Mr Dencer, must be aware that he is injecting the anticoagulant hirudin rather than hyaluronidase, as stated by my surgical colleague. This latter substance is extracted from mammalian testes for therapeutic purposes and would be of no value to the leech as it is not an anticoagulant.

Yours faithfully,
NEVILLE ROUSSAK,
71, Palatine Road,
Manchester,
March 24.

A goodly usage

From Miss Pamela Braley-Smith

Sir, Old linen napkins, recommended by Philip Howard for packing clothing (March 27), are not very easy to come by these days. I have always found that *The Times* is excellent for this purpose, providing the required resilience and ensuring that the clothes, when unpacked, have no creases.

As Edmund Spenser said: "O goodly usage of those antique Times..."

Yours truly,
PAMELA BRALEY-SMITH,
12 Church Lane,
Killingbury,
Northamptonshire,
March 27.

THE ARTS

Joseph Haydn was born 250 years ago today. Paul Griffiths assesses 'the first modern composer' and Hilary Finch (below) interviews H. C. Robbins Landon, Haydn's greatest scholar and advocate

A winner for all time

Haydn was the first modern composer, the first whose music never had to be rediscovered. His Opus 1 string quartets, written around 1760, are the earliest works to have remained permanently in the repertoire of music, joined there later by the frankly experimental and often powerfully expressive music of his mid-life crisis, then by the cultivated drawing-classicist in the 1780s, and finally by the great festival, of symphonies and quartets, masses and oratorios he produced in his last creative decade.

All this we can remember today, along with a vast quantity of other music whose existence was barely known when Haydn was 200. In recent years, gramophone and Glyndebourne have at last given us a glimpse of his operas. His piano sonatas and trios have come out of the shadows, and some brave musicians have even tackled the baritone, that bizarre hybrid of voice and other order to play the volumes of pieces he composed to accommodate his prince's unlikely fascination with the instrument.

But there is good reason why these should have been the corners of Haydn's vast output left to our age of insatiable reconsidering. Exploring musicians of earlier times were happy to accept the image fostered by the composer himself, that of Papa Haydn, the father of the quartet, the father of the symphony, the father of the classical style. Opera, plainly, Haydn did not invent, and his operas could not be fitted into the picture. Other works left no progeny, and so they too had to be ignored, together with any other evidence that Haydn's main business was not acting as the progenitor of forms and genres that still have their hold on composers 250 years after his birth.

Fathers, though, stand in a perilous position. Before Haydn's death, in 1809, Beethoven had already written the "Eroica" the fifth symphony and "Fidelio" the father had been eclipsed by his musical son, and has remained so. Since the same period, too, curiosity has gradually turned to reverence. Haydn: Sammartini, C.P.E. and J.S. Bach, and more recently a line of ancestors stretching back to Machaut and beyond.

It is natural that admirers of Haydn should have reacted by pressing his claims to other titles than "Papa": to fraternity with Mozart in operatic felicity, or with Clementi in keyboard flamboyance. But the central facts remain. Haydn did, in all probability, invent the string quartet. He did not invent the symphony, but without him it would never have become a form to challenge composers from Beethoven to Mahler. Above all, he changed, fundamentally and probably irrevocably, the whole nature of music.

Nobody before 1780 would ever have imagined that music was something to be rationally understood: it was Haydn who made it such. Of course the time was right — this was the age of the Encyclopédie and the Declaration of Independence — but it was Haydn alone who realized that music had reached a stage where its workings could be followed by the unaided ear, by the natural man.

To appreciate a fugue requires study and experience, and to savour a song, needs emotional sympathy, but one of Haydn's quartets or symphony movements in

sonata form (effectively another of his inventions) lies open for all its strategies to be observed and enjoyed. For in Haydn's hands sonata form was not a set of rules but a natural principle, a way of presenting and developing musical ideas, leading and tricking the listener.

Hence his great gift of wit. Like any child learning to handle what is to him the new medium of language, Haydn begins at once, as he has begun to discover that music too can be a language.

The history of music since Haydn is one of forever renewed attempts to subvert this invention, to make music again an art working in primary fashion on the instincts. Beethoven, Wagner, Stravinsky, Boulez: the ventures have been many and various, but always, the victory has been Haydn's, for until the microchip makes music it is beyond the reach of the human mind to create anything that other minds cannot eventually understand. It was Haydn who taught us to comprehend his art, and unless we forget him we cannot rest content with anything less.



The traditional image of "Papa" Haydn, drawn by Batt for the first edition (1938) of "The Oxford Companion to Music"

'My next hope is in those Bohemian churches... We just might find a lost big concerto'

Ever since he arrived at No 18 Great Titchener Street, London, in 1969, H. C. Robbins Landon has been unfailingly loyal to Franz Joseph Haydn, remembering him when the rest of Europe chose to forget him, and being largely responsible for the present European Haydn renaissance. Today, on his 250th birthday, he is being hailed as something of a national hero in public celebrations at Westminster Abbey and the Wigmore Hall, with two more concerts tomorrow at St John's Smith Square, and the Purcell Room. Radio 3 today is shot through with Haydn's music and with tributes to him from other composers, and at 10.10 tonight BBC2 runs the first of seven programmes in its Haydn Festival.

That series will be presented by H. C. Robbins Landon. In his researches, in his first complete edition of the symphonies, in his

five-volume *Chronicle and Works*, he has claimed warmly by Michael Ratcliffe as "one of the great documentary biographies of the century," and in his most recent Redding volume, *Haydn: A Documentary Study* (both Thames and Hudson), Landon can be considered to have done as much as anyone to make Haydn's music more accessible, his life works, and their historical context better understood.

The discovery, when he was a schoolboy, that 90 per cent of Haydn's music was unpublished was enough to set Robbins Landon going: more than 30 years later words and enthusiasm still led him each other for space as he talks about his latest manuscript discoveries. "My next hope is in those Bohemian churches in Czechoslovakia. We just might find a lost big concerto, like the cello concerto. And we know there's a big lost mass in G minor

... And I'm doing 50 Haydn programmes with Austrian radio, playing lots and lots of music that's never been heard before."

The search began as soon as he graduated from Boston University in 1947. "I got the next plane to Europe. I got myself to Vienna as a music correspondent, then, when I saw my army number coming up, I got myself into the US army of occupation in Vienna. There I found a delightful colonel who let me play trumpet in church on Sundays in the big orchestral masses. Meanwhile I was photographing all the sources I could get my hands on. And then in 1949 I formed the Haydn Society to record as many works as possible, to sell them, and with the proceeds to start printing Haydn's music. It's curious, the Austrians have stopped understanding Haydn now. The language just doesn't reach them any more: it's like Latin to them—foreign."

Robbins Landon now watches the Haydn renaissance flowering in England, France, Italy, and Germany, now where he belongs. The only problem is fitting it all into the repertoire so that we can discover for ourselves new expressions on Papa Haydn's face, the wit and irony in a composer whom Schumann almost disregarded, whom Tennyson saw, with Mozart, as a mere precursor of Beethoven. Landon is at present working on the conducting scores of Haydn's London patron, Salomon, recently found by Alec Hyatt-King. Then there is a film to be made in Amsterdam in South Germany, "where lived our friendly monk, Hochstetter, who wrote the so-called Haydn Op 3 Quartets. We're going to tell how they got to be attributed to Haydn and then go into why people didn't want to hear them any more when they realized..."

With 106 symphonies, 65 quartets, 52 piano sonatas, 34 string trios and 20 operas, Landon feels that Haydn is now where he belongs. The only problem is fitting it all into the repertoire so that we can discover for ourselves new expressions on Papa Haydn's face, the wit and irony in a composer whom Schumann almost disregarded, whom Tennyson saw, with Mozart, as a mere precursor of Beethoven. Landon is at present working on the conducting scores of Haydn's London patron, Salomon, recently found by Alec Hyatt-King. Then there is a film to be made in Amsterdam in South Germany, "where lived our friendly monk, Hochstetter, who wrote the so-called Haydn Op 3 Quartets. We're going to tell how they got to be attributed to Haydn and then go into why people didn't want to hear them any more when they realized..."

With increasing performances of Haydn on contemporary instruments, and Liszt's *Armonico* valuable recordings (on SAGA) of the *Morán* and, soon (on CBS), the *Sturm und Drang* symphonies, Robbins Landon particularly looks forward to hearing the late symphonies on original instruments. "Christopher Hogwood and I are going to do a seminar on them next March at Clare College, Cambridge. I don't want to throw out every Steinway for a forte piano, but we ought to know what they sounded like: how the trumpet, for instance, played all those notes that weren't on the natural scale..."

Dance

Caracas revived

There seem to be dozens of ballet companies in South America, but hardly any of them have acquired international reputations, or, apparently, even harboured international aspirations. One notable exception to this humbly insular view was the International Ballet of Caracas, which in both name and action embodied a new South American approach to dance. For the first time South America had acquired a company that was actually intended to play an international role.

The company was founded in 1975 by Zandra Rodriguez, a former ballerina of American Ballet Theatre, and Vicente Nebrada, a choreographer and a former director of the Ballet of Caracas in New York. Both Miss Rodriguez and Mr Nebrada are Venezuelans, and their funding for their company, chiefly arranged it seems by Miss Rodriguez, came from both private and public sources.

The company prospered, and very quickly. By November 1979 it was deemed ready to appear in New York, and this was followed by a European tour, including a London season at Sadler's Wells. The notices were not universally kind in either New York or London, but the spirit of the company, its enthusiasm and its promise, were generally noted and approved, often warmly.

However, that European tour was virtually the troupe's swan song. Soon afterwards there was a falling-out between Miss Rodriguez and Mr Nebrada, and after a period of some kind of armed truce, the upshot of it was that Miss Rodriguez started a new company and Mr Nebrada started litigation. The rights and wrongs of that matter must be settled one day in Caracas courtrooms, but need not here detain us. Suffice to say that Miss Rodriguez's

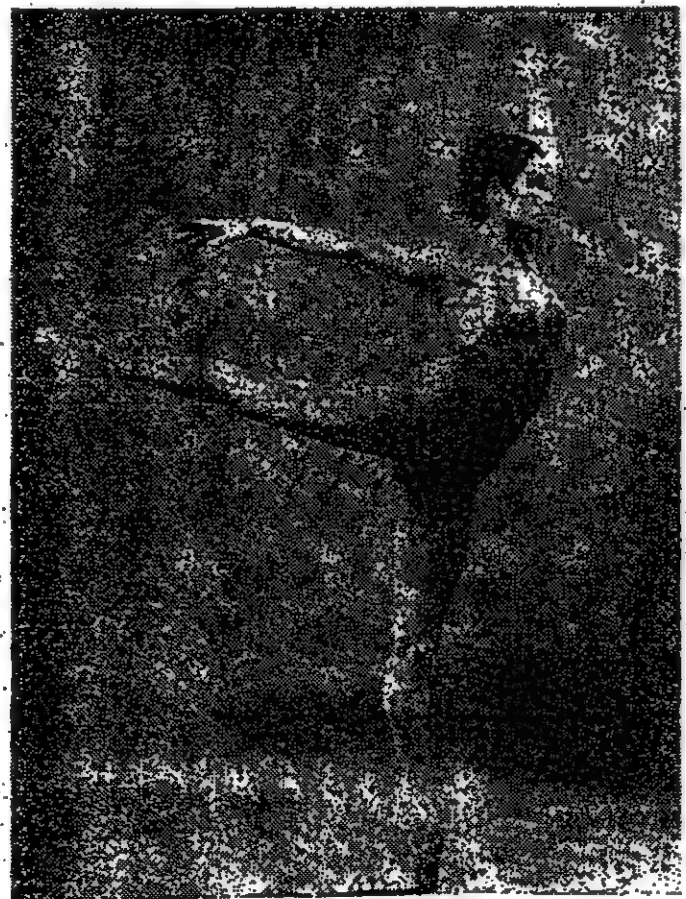
new company — now called the Ballet Nuevo de Caracas — looks very much like the old one, although, advantageously, it has a wider-based repertoire. Miss Rodriguez is co-artistic director together with the American dancer Dale Talley, who is another of the survivors of the earlier company.

Miss Rodriguez is unquestionably a woman of formidable determination, and her new troupe has, with the assistance of a new ballet master, the Cuban-born and trained José Pared, been licked into shape in quick time. Mr Nebrada has withdrawn all of his own ballets, which is a pity because although they overweighed the repertoire they also gave it certain individuality.

Seeing the company at the Municipal Theatre in Caracas recently one was aware that originality of repertoire was probably the troupe's most serious failing. In her efforts to broaden her company's choreographic base, Miss Rodriguez has picked up new revivals from such choreographers as John Butler, Choo San Goh and Hans Van Manen, but few works have been specifically created for these particular dancers.

To set against this liability is the forceful style of the dancers themselves. As might be recalled from their London visit these are not the demurely elegant dancers of the world, but even at their most extravagant they possess an exuberance that is completely winning, at least for those willing to be won by exuberance.

In a performance I saw appeared to be typical of the programming. Admittedly there were two ballets by Choo San Goh — which is surely one too many by almost anyone's standards — but Van Manen's pungent *Five Tangos* more than compensated for their blandness. The Van Manen ballet is peculiarly apt for a South



Zandra Rodriguez in Alley's "The River"

American company, and this image of the tango set to the electronically assisted music of Astor Piazzola, is given with a very special gaucho flavour. It is in every way a most enjoyable and exciting performance, not least in Jean Paul Vroom's cubist-inclined *Five Tangos*, and Miss Rodriguez proved as exuberant as ever in *Le Corsaire* pas de deux, where she was powerfully matched by the young Russian guest artist, Gylis Harangozo, who will be remembered in Britain from his appearances with Scottish Ballet.

Ballet has once more been reborn in Venezuela. If all goes well, and there is no further palace revolution, it appears that the company will visit New York next year.

Clive Barnes

Polish opera company at Cheltenham Festival

The Warsaw Chamber Opera and the Warsaw Sinfonietta make their first visit to this country for the thirty-eighth Cheltenham International Festival of Music, which takes place from July 3 to 18. It is also the first time that the festival has introduced a foreign opera company. Contracts for the visit were signed only two weeks ago.

The opera company will give a total of five performances, from July 5 to 9, two of Cimarosa's *Impresario*, a double bill by Haydn, *Lo Speziale* and the composer's one-act musical joke *Die Erwählung eines Kapellmeisters*.

There are three main themes running through the festival. It continues to uphold its tradition of sponsoring performances of new music by British composers, and this year it will also celebrate anniversaries of the birth of Haydn in 1732 and of Stravinsky in 1882.

Among the contemporary British music Stephen Dodgson's *Essay No 1* receives its first performance, by the BBC Northern Symphony Orchestra, on July 3. A piano trio by Andre Tchaikowsky, better known as a pianist

than as a composer, will be performed on July 4, and Jane Manning in her song recital on July 4 will give the premiere of Elis Pehkonen's *Four Russian Songs*.

The festival has commissioned three new pieces this year, including Charles Camilleri's *Fantasia Concertante*, which will be played by John Scott in his organ recital on July 10. The second special commission is John Mayer's *Sanguine*, jointly commissioned by the festival and the Academy of St Martin-in-the-Fields. The third new work is Peter

Racine Fricker's *Rondeaux* for horn and orchestra, to be played by the City of London Sinfonia under Richard Hickox with Ifor James as soloist, on July 14.

Celebrating the 250th anniversary of Haydn's birth, the festival has concentrated on the music he wrote around his fiftieth birthday, 200 years ago. The programme will include three symphonies, 76, 77 and 78, and the six Opus 33 string quartets played by the Cheltenham Quartet.

Christopher Warman

Theatre

The Best of British Music Hall

Lyric, Hammersmith

You who have hisses, prepare to share them now. The Hiss and Boo Theatre company is in need of them. In a programme that began as *The Best of British Music Hall*, since the 1930s and champion of his music, Legge was especially gratified when he brought his orchestra and its splendid new chorus, also his musical creation, together with Walton as conductor of *Belshazzar's Feast*. It was appropriate that Walton's eightieth birthday concert in London, given on Monday, in his presence, should have been put on by the Philharmonia Orchestra.

It was a grandly festive affair. Sir William sat in the ceremonial box, between his wife and Princess Alexandra. The Festival Hall was absolutely full. The composer was given numerous standing ovations and himself roared several times at the end to acknowledge cheers and impromptu renderings of the appropriate song, the last one by the Philharmonia Chorus in full-throated four-part harmony.

The conductor of this Walton birthday concert was André Previn, a champion of some years, not to say decades, standing. Sensitively Previn banked the fires of *Orb and Sceptre* until after the first playing of the Trio section's solemn melody.

Belshazzar's Feast, given by the Philharmonia Chorus and orchestra, was an obligatory inclusion, and received a resplendent performance under Previn who revelled in the pageant, with its percussive portraiture of gold, brass, wood, iron and the rest, and in the extra brass bands who enhance the climax from either extreme of the platform. The choral soprano sounded less lusty than expected, though fine-toned, in balance with the rest, by the waters of Babylon or in the shadowy lament for "that great city". Thomas Allen was superb in his narrative, as in his lyrical first solo promise to Jerusalem. The account, all told, was greatly spirited, with the proper measure of jubilation that we all looked for on this birthday.

William Mann

Walton birthday concerts

Philharmonia/Previn

Festival Hall/BBC 2/Radio 3

Sir William Walton has had a long, and for many years active, relationship with the Philharmonia Orchestra, through its founder Walter Legge, a friend of Walton's since the 1930s and champion of his music. Legge was especially gratified when he brought his orchestra and its splendid new chorus, also his musical creation, together with Walton as conductor of *Belshazzar's Feast*. It was appropriate that Walton's eightieth birthday concert in London, given on Monday, in his presence, should have been put on by the Philharmonia Orchestra.

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For a major orchestral work to intervene, many of us would have demanded Walton's first symphony, that comprehensive mouthpiece of youth's ecstasy and rebellious melancholy. The Philharmonia preferred the *Violin Concerto*, which deals with allied topics less tactically, more bravely, it may be, with an even stronger well of lyrical melody, and with the searching artistry and enchanting person of Kyung-Wha Chung as soloist. Her performance abounded in the passion, but not quite all the poise.

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Television

Working models

Consent, blighted by a British Steel closure, and Kirkby, Liverpool, resigned to a 34 per cent unemployment rate, were the sites from which Everyman launched its programme *The End of the Work Ethic* on BBC 2 last night.

The thrust of this was that Protestantism, Methodism in particular, has moulded our view of work, investing it with a religious feeling, persuading us to stand on the shoulders of Mammon to reach God, so that wealth becomes an outward sign of inward grace. To be unemployed, for whatever reason, is, as Len Murray put it, seen as "wicked".

Mr Murray was appearing not merely as the TUC's General Secretary but as a Methodist. What he thought necessary, in a world where work could not be taken for granted, was a kind of social consensus, a recognized people's needs and met them without resentment. The problem of the future, he said, would be how we distributed work, leisure and income.

This view was subscribed to in part or in whole by most of the witnesses who, in addition to the unemployed, included the Anglican Bishop of Woolwich, Michael Marshall, the research director of the ASTMS, Barry Sherman, the Dean of the Business School of the City University, Brian Griffiths, a lecturer in history from Sussex University, Alun Howkins, and Father Jim Collins, the Catholic parish priest of Kirkby.

The reporter Graham Turner, who did an excellent job, raised the question of what might happen if the connection between work and reward were destroyed. Would it not mean that we might all be left to share poverty? He did not seem to get a proper answer nor could I see, even if all the churches went into rapid and simultaneous reverse, that a situation of sweetness and light could be reached in the hazy future. Angela Tibby's programme might perhaps have included a question-mark after its title to avoid being precipitate, but it was very watchable and well photographed.

It is a pity that Tuesday night so often offers choices denied on other nights. Last night there were two good plays: from BBC 1's *Play for Today*, *Ever Set the Bells of Corruption Rolling*; from Central, *Four in a Million*. As they overlapped, only those who were asleep could benefit.

The first, by Marcella Evaristi, who also acted, concerned a reunion at a convent, where the girls gather 12 years on to compare rewards and losses and, unavailingly, see if they can rise above the dislikes of yore, made plain to us in flashbacks.

The organizer is the one whom everybody disliked most — it is not always the way? — and the evening is made singular by one old girl giving birth after being trapped in a lavatory and another being breathlessly It was full of spiky dialogue, very well observed, funny, very well produced, by Bob McIntosh, and directed by David Maloney.

Les Blair's *Four in a Million* was similarly well acted, glimpsing the offstage lives of four club performers who are staying in the same guest house, and rubbing their illusions and delusions together after hours.

William Hackett

William Mann

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QATAR

Qatar, no larger than Yorkshire but with a much lower population, is among the smallest Opec oil producers but has enormous reserves of natural gas. Geoffrey Weston takes stock of its prosperity and prospects and, in a second article, examines the role of the Ruler, Shaikh Khalifa bin Hamad al-Thani, in the peoples' rise to a place among the richest in the world.

Basking in a golden age

My driver abandoned his gleaming new Chevrolet in Doha for a Toyota four-wheel-drive truck to take me to Ras Laffan—a remote headland some 45 miles to the north and then eight miles' bumpy ride over the sand. The only signs of life were a few curlew running along the water's edge below an empty coastguard station and a rusting navigation beacon.

The driver's interest lay solely in gathering useful fobs from the beach: cans of corn oil from a recent wreck, coils of rope and planks of wood for his second garage. Thrift dies hard in a country still barely accustomed to its wealth.

For officials in Doha, however, Ras Laffan is the nearest point on the coast to the world's second largest gas deposit, the North Field, which could spawn a new town and industrial centre, as well as ensuring economic stability long after the oil has run out on a scale that could be the envy of other Gulf states.

To a casual observer Qatar may appear a swollen thumb on a map of the Gulf—a peninsula of sand with plenty of oil and few people, a mere appendage to the vast Saudi Arabian hinterland. For many years its comparatively good grazing attracted bedouin from central Arabia, whose strict Wahabi approach to Islam still prevails there, as in no other Gulf state, but Qatar remains a gentle, relaxed place compared with its giant neighbour.

To Shaikh Khalifa bin Hamad al-Thani, who has led the Qataris with a rare sense of vision from poverty to unimaginable wealth in the last 20 years, the importance of establishing a sound economic base and a sense of national identity has been clear, particularly since independence in 1971.

The early decision to invest in an industrial base at Umm Said, south of Doha, has attracted Saudis anxious to apply the lessons of this success story to their own massive but far from complete industrial base at Jubail. Industrial expansion has been the means to stem the wasteful flaring of natural gas associated with oil drilling. Though it has so far been unaffected by the fall in the demand for oil, it has focused attention on the need to exploit the North Field as soon as possible, and a decision on its future is believed to be imminent.

While oil should last at least 35 years, the full extent of the North Field has yet to be established. Shaikh Rashid Awaid al-Thani, who is in charge of the North Field plans, is confident it will provide Qatar with energy for 200 years, or at least 100 years allowing for exports.

The economic growth it is expected to generate would be the first to check the drift to Doha, the capital and home for at least 80 per cent of the population, which is probably no more than 220,000. Like the other rich but sparsely populated states of the Gulf, Qatar has a large but uncultured expatriate force to help it to run its affairs.

Establishing Qatari nationality is as precious as being a 'Roman citizen' in ancient times. It brings with it the right to a house, land, a generous loan for a car (which can then be leased back to the government) and a government job, which is rarely arduous and can be a sinecure, with a tax-free income of at least 3,000 rials a month and free electricity and water.

Some leading members of Qatar's society have been accused of unreasonable extravagance, although it is probably no more than could be expected from a society

that has suddenly unearthed its crock of gold. The temptation to spend on prestige projects and in self-enrichment has been resisted noticeably more than in other Gulf states, particularly by Shaikh Khalifa, who has won a reputation for being hard-working and unostentatious.

Though development plans have given priority to infrastructure and social services, Doha has acquired some spectacular buildings in recent times, all of them arguable contributions to the national identity.

A more surprising early project was the National Museum, a conversion carried out by the British consultants Michael Rice and Company. It has won international renown, but more important, it captures brilliantly for the visitors and locals who pack it every weekend a previously unexpressed sense of national heritage.

It is housed in a former royal palace, in which the present Ruler lived as a child, and is a source of such pride that when a group of locals recently found some old coins in the desert they immediately donated them to the museum and reported that one man had kept some for himself.

Shaikh Khalifa is reported to consider the new university the country's principal asset. It is due to open next year in a complex of honeycomb design, although it has been functioning as an institution for four years. Some of the most striking projects were opened on February 22, the anniversary of the ruler's accession, and included a hospital, the National Theatre and the Sheraton Hotel.

The \$150m hotel, owned by the government and built to hold major international meetings as much as a commercial enterprise, is a

remarkable piece of architecture—a three-sided zigzag dominating the capital's skyline and certainly one of the most luxurious hotels in the Middle East.

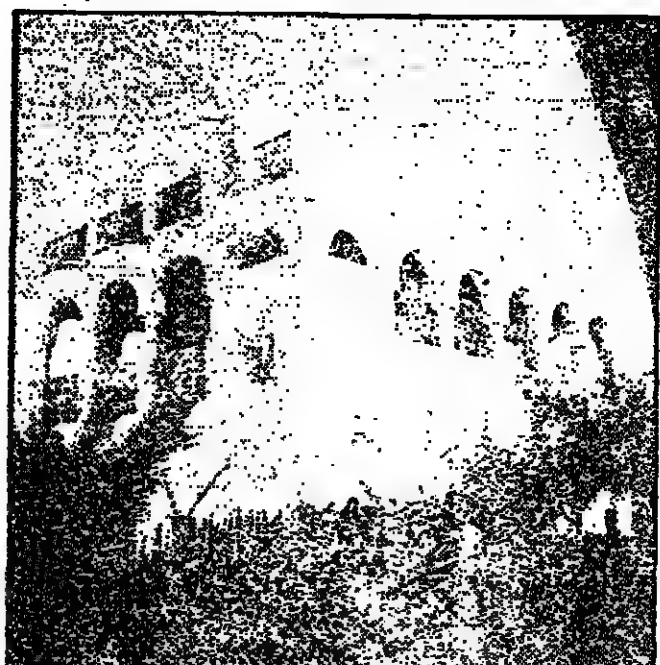
The Qataris have good reasons to spell out their independence. Their resources are small by comparison with Saudi Arabia, whose foreign policies they traditionally support, yet it would be all too easy for their little country to be overrun in a Middle Eastern cataclysm. The Iran-Iraq War, the Russian invasion of Afghanistan, United States obsession with the oil resources of the Gulf and the Palestinian problem are just some of the causes of anxiety.

The attempted Shia-inspired coup in Bahrain last December was the most recent and closest to the Qatari doorstep. Relations with Bahrain are the only ones fraught with tension, largely because of a British attempt to quell trouble between the two sides in the 1930s.

On the advice of the British Political Resident, the British Government suggested that Bahrain should claim the uninhabited Hawar Islands, 17 miles to the east of Bahrain, but effectively joined to the coast of Qatar—a point that Shaikh Khalifa is reported to have hampered home by wading out to the islands at low tide.

The arrangement was made before serious consideration was given to offshore mineral rights, although the islands appear to have no hydrocarbon resources. Nevertheless they lie close to Qatar's oil fields and are clearly a matter of national pride.

Bahrain's right to the islands appears to be extremely tenuous although it keeps soldiers there. A more recent flare-up over the issue resulted in intercession by Saudi Arabia



Emphasis on cultural and historical identity has instilled in Qatar a sense of patriotism rare among Gulf states. The National Museum is a great attraction at weekends and, below, visiting Lebanese players in the first production at the National Theatre, opened last month.



through the Gulf Cooperation Council, of which all three are members and of which Qatar is an enthusiastic supporter. As a result, the belligerents have agreed not to give further publicity to their dispute in the hope that some progress can be made towards a solution.

The al-Thanis are related to the al-Khalifa dynasty of Bahrain, which used to occupy the north of Qatar, but generations of antagonism between the two families have reduced the affair to a relatively cosy ritual com-

pared with other Middle East conflicts, such as in Lebanon and Cyprus.

Life in Qatar 20 years ago was harsh and at best uncomfortable. Prospects in 20 years' time are subject to too many uncertainties to look forward to with confidence. For the moment Qataris are basking in what many must regard as a golden age. As one old man in Doha put it succinctly: "God decided it was our turn."

Geoffrey Weston

Conservationist and pioneer

A Lebanese who visited Doha in 1971 took a taxi from the tiny airport to the only hotel and then asked the driver where the town was. "You have just come through it," was the reply. Qatar was on the threshold of independence and the most far-reaching changes in its history. Even though oil revenues have provided the means, the pace and nature of this transformation have, to an exceptional degree, been shaped by the present Ruler, Shaikh Khalifa bin Hamad al-Thani, who celebrated the tenth anniversary of his accession last month, but has effectively run the country since 1960.

When Khalifa was born, in 1932, Doha was a desperately poor community of old and mud houses, divided by narrow alleys, without electricity, running water or paved roads. There was neither a port nor an airport, and ships were forced to unload into lighters three to four miles off shore. The population took to their boats to fish, dive for pearls or just to escape the searing heat of the summer months. There were no other significant occupations.

Khalifa remembers only too well the collapse of the pearling industry after the arrival of the Japanese cultured pearl and the boats being burnt in desperation for fuel. More important, he never forgets the disastrous consequences of relying on a single resource, and after coming to power was determined not to repeat the mistake.

Although the first oil was discovered in 1935, it did not start to flow until 1939, and the war postponed further progress for a decade. Meanwhile Khalifa's brightness and alertness had marked him out, according to Qatari tradition, as the favoured son of the family. Both his grandfather and his father saw him as a future ruler, although his education was a traditional Islamic one and he did not attend school.

When his father died in 1949, he was too young to take over and his uncle Ali Ben Abdullah al-Thani, who made Ruler, with Khalifa as

Crown Prince. In 1960 Shaikh Ali tried to step down in favour of his own son Ahmad. A compromise was reached whereby Ahmad became Ruler and Khalifa Deputy Ruler and Prime Minister with full executive powers.

He quickly grasped the need for change, introducing modern forms of education and becoming the first Minister of Finance. By nature he is cautious and will never be rushed into judgment. Some observers see his office as one huge planning operation.

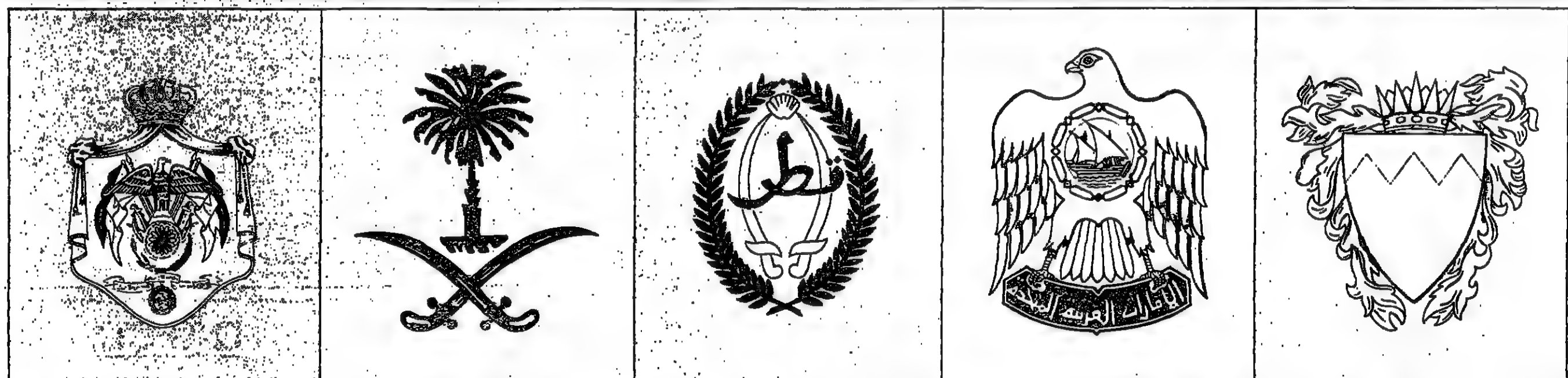
Shaikh Ahmad was content to leave the running of the country to his cousin and spent much of his time abroad. Britain's withdrawal from the Gulf in 1971 proved the most testing time for Khalifa. He was a prime mover in the efforts to form a federation of Gulf states and wanted both Bahrain and Qatar to join what was to become the United Arab Emirates. He was even elected chairman of a provisional federal council embracing nine states, but protracted wrangles prevented agreement, and Qatar and Bahrain decided to go their own ways.

The disappointment did not deter Khalifa from advocating an economic agreement based loosely on the European Economic Community—an idea that finally came to fruition in the Gulf Cooperation Council formed last May between the six monarchies of the Gulf.

Shaikh Ahmad was on holiday in Switzerland when independence was declared in September 1971 and declined to return home for the formalities. Meanwhile his son Abdulla, who had a reputation for being irresponsible and for abusing his status, was attempting to increase his own power and persuade his father to make him Crown Prince.

Khalifa watched events closely for some months, and on February 22, 1972, seeing that for the second time he was in danger of being usurped, he assumed the powers of Ruler in a bloodless coup. He immediately abolished the Ruler's oil

continued on page III



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Gas

Energy problems delay benefits of North Field

The non-associated gas deposits of Qatar's North Field, previously known as the North-West Dome, were discovered in 1971. They lie about 45 miles off Ras Laffan in the north-east of the Qatar peninsula. The full extent of the field is not yet known, but conservative estimates of proven reserves range from 100 trillion to 120 trillion cubic feet; probable reserves are estimated at 300 trillion. It is said to be the world's largest single concentration of non-associated gas reserves.

Low prices for gas and Qatar's relatively adequate oil reserves postponed a decision on the future development of the field until last year when the ruler set up a committee under his cousin Shaikh Rashid al-Awaidah al-Thani (deputy managing director of the Qatar General Petroleum Corporation, the state oil company) to call for detailed proposals on development from interested oil companies and potential customers.

These were to be along the lines of an 80-20 joint venture with QGPC, involving two groups of foreign partners: one with LNG (liquefied natural gas) technological experience (with 15 per cent equity), the other with marketing experience and access (5 per cent).

Companies submitting development proposals were BP, Shell, Compagnie Francaise des Petroles (CFP), Wintershall (West Germany) and Roy M. Huffington (USA). Recently Exxon, which was originally discouraged by its Libyan LNG experience, has been showing interest. Only the Japanese were initially approached as customers and they divided three years ago into two consortia: Mitsui, Mitsubishi and C. Itoh in one, Marubeni and Nissho-Iwai in the second.

The project envisaged by the Qatar Government would produce some 2,000 million cubic feet a day (cf) of sweet gas — 760 million cf for local consumption, the rest (about six million tons a year) LNG for export. The domestic project is seen as the first phase and could be executed independently of the second, export phase, though this would raise the cost of the gas extracted.

There is, however, a possibility of the gas field extending on shore, which would lower the cost of its development considerably.

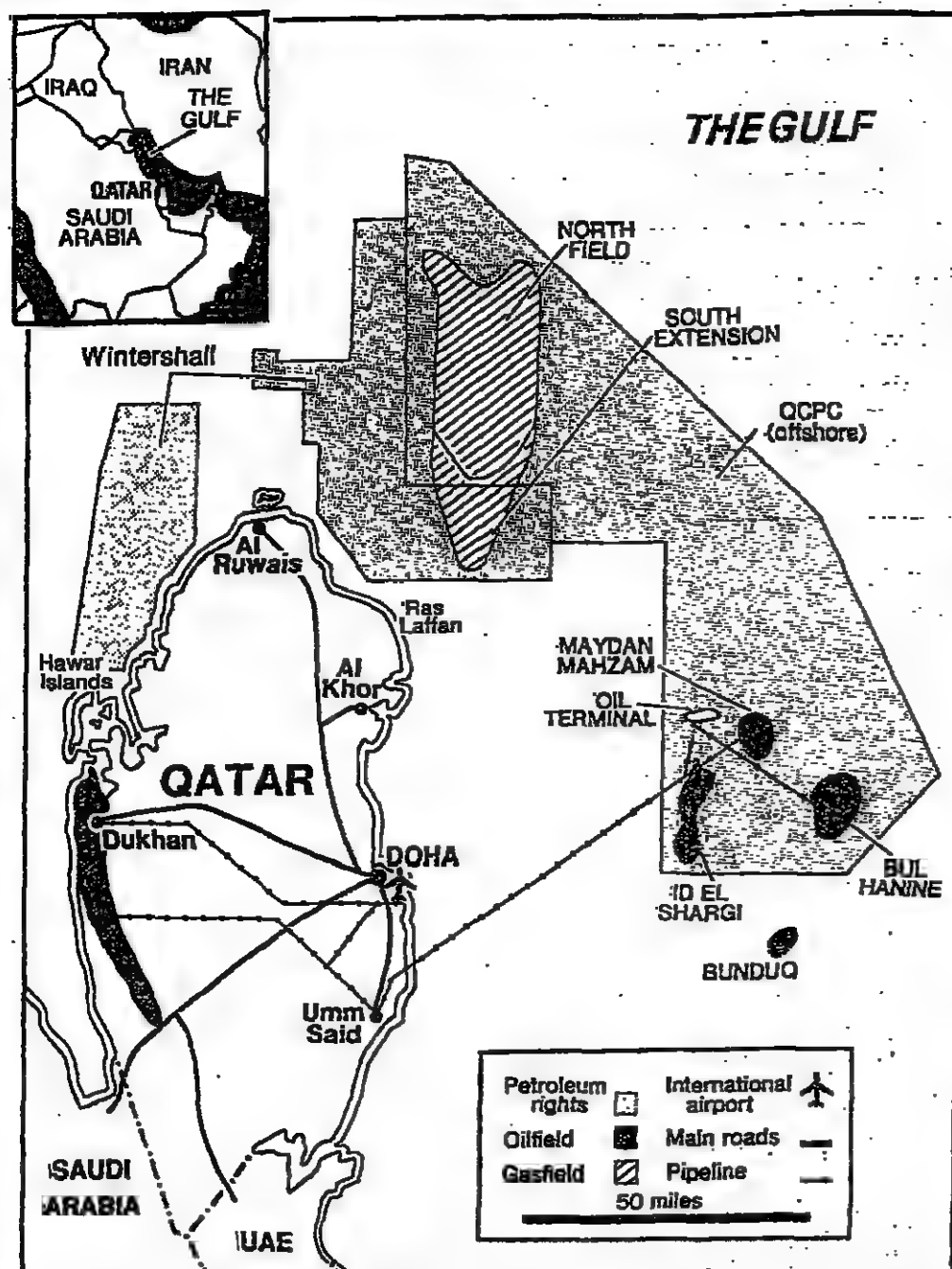
Qatar would like the domestic gas by the end of the decade. Its industrial base is designed on a production of 70,000 bpd but production is currently about half of that and industries at Umm Said are running below capacity.

The project would include construction of offshore production platforms and trunk pipelines, a harbour, gas liquids recovery facilities and an LNG plant. There would also be pipelines taking natural gas liquids down the coast to the industrial zone of Umm Said, and a fleet of up to 10 LNG tankers, with a probable capacity of 130,000 cubic metres each of LNG. The estimated total cost is now about \$5,500m, but this is already up from the original \$4m and further rises are inevitable. If a decision to go ahead were taken this year it could be in production by 1990.

The North Field has had tremendous publicity — over-exposure, some would say, reflecting a scepticism which has set in coincidentally with the present gloom over fuel prices and the unforeseeable future. The Qataris are keen to develop — with reservations about the social implications of the foreign immigration which the project would necessitate; their economic viability may depend on the North Field in 20 years' time when their oil reserves will be seriously depleted (recoverable oil reserves are estimated at 4,700m barrels).

The oil companies are also keen to develop — with reservations about the return on their investment and its protection, perhaps in the form of a higher share of the equity, from production cut-backs. The Japanese are said to be pressing for more equity than that originally on offer.

All parties have reservations about the problems inherent in gas projects, the technology of which is constantly breaking new ground and not always very happily. As one diplomat put it, oil



produces wealth, gas produces headaches.

At the moment, however, it is the problem of LNG exports which give rise to the most persistent headaches. LNG projects take eight to 10 years to come to fruition; the North Field development moves us forward to the turn of the century in terms of fuel use.

It is the huge time involved which makes projections as to future needs in Japan, or in Western Europe for that matter, particularly vulnerable, especially in the climate of the present oil glut and the continuing recession.

The Japanese are remaining particularly cagey about their future needs. Qatar is a long way from Japan and the Gulf and Indian Oceans are politically vulnerable. Will the recession bottom out in two or three years' time? Will

conservation measures continue to bite? Will the present burst of nuclear power supply in Japan (some 22 reactors producing or near production) be sufficient beyond 1990? How much heavy industry will Japan have moved out by then, to neighbours with cheaper labour?

The development of the North Field must be seen in the light of such questions, which are bothering economists all over the world. There is also an Arab context. The Qataris would like to play a bigger political as well as economic role in the Gulf, for instance in the Gulf Cooperation Council. For this they need to be seen to be among the major producers. This is not possible with their oil; with North Field gas it is.

Sarah Searight

Oil

Over a price barrel

When the small emirate of Qatar finally became fully independent from Britain in 1971 it had already been a member of the Organization of Petroleum Exporting Countries for 10 years. Then as now Qatar depends almost wholly on crude oil exports for revenue: in 1970 oil brought in \$122m, and in 1980 it raised \$5,400m. That increase is in part due to Qatar's commitment to Opec.

Unlike its neighbour the United Arab Emirates, of which Qatar might have been part when the federation was formed in 1971, Qatar is one of Opec's toughest members. Its policy is dictated by two factors: the shortage of alternative income (at least until natural gas from the North Field becomes commercial); and the small size of production and reserves.

For the Gulf sheikdom is one of Opec's smallest members. At the end of 1980 the country's oil reserves were put at 3,500 million barrels, enough for just 25 years production at 400,000 barrels per day (bpd). In fact the recent Opec agreement at Vienna to share production cuts has reduced Qatar's output to 300,000 bpd. As late as January production was running at more than 402,000 bpd. Only Ecuador and Gabon pump up less oil, but they are rather bigger countries.

Production in 1981 averaged 405,000 bpd, a drop of 14 per cent from the previous year. That was much in line with government targets and the authorities try to match conservation with revenue needs. But 300,000 is something of a sacrifice for so small a country, whose

income has also fallen over the past six months, and whose foreign reserves possibly amount to \$9,000m. Even for a population officially estimated at 250,000 (but unofficially put at nearer 220,000) this does not allow much leeway if reserves are indeed exhausted in half a lifetime.

Qatar therefore has tended to support a more aggressive oil pricing policy than its giant neighbour Saudi Arabia and its ally the UAE. In 1976, for example, when the Opec ministerial meeting was held in Doha amid tight security, Qatar was among the majority of Opec members who raised their prices, while Saudi Arabia and the UAE held theirs down. This two-tier pricing strategy was the first major split in Opec ranks after the rapid price increases of 1973-76 and an embarrassment for Qatar, the host country, and its oil minister, Shaikh Abdul Aziz bin Khalifa al-Thani, who could not prevent the breach and immediately became president of a divided body.

Opec recovered its composure later in 1977, but the 1979 meeting in Caracas also failed to agree on a single pricing policy, and during the ensuing year of considerable disarray in the oil market Qatar took full advantage of high prices. In 1980 the Qatar General Petroleum Corporation was able to impose a premium of \$6.50 a barrel, particularly on oil sold to Japanese companies. The QGPC tried to enforce the premium when the Japanese buying contracts expired in March of last year. By then production was clearly falling, and Opec was

sailing into choppy waters. But in the event Qatar accepted that such high prices were unsustainable, and in May agreed with nine other Opec members to cut production. Maximum allowable production was lowered to 427,000 bpd.

At last year's August, October, and December Opec meetings, Qatar sided with those who wanted to reduce production to support prices. One consideration has been political. While its revenue needs are more acute than those of its neighbours, Qatar shared with them the fear of Iran — especially after the attempted coup in Bahrain — and watches nervously the course of the war between Iran and Iraq. Such events have pushed the emirate closer to the Saudi camp, away from the radicals in the larger Gulf states.

Qatar's policy has therefore shifted from pushing for price rises to support for the Saudi strategy of defending the \$34 a barrel marker price by seeking and maintaining production cuts. As a country which has offered proportionately a major cut, Qatar now has a strong interest in seeing that the machinery of enforcement works, and that other producers keep their promises. The emirate certainly does not want to cut oil production further, because recent cuts have already diminished to critical levels the associated gas which fuels the country's burgeoning heavy industry.

But a longer term reason for backing the Saudi approach has also emerged over the past two years. Qatar is the proud possessor of one of the world's biggest natural gas fields.

Given such small oil reserves, Qatar's future lies with successful exploitation of its gas.

So it is not surprising that Qatar has been arguing within Opec that natural gas prices should be indexed to oil prices. In pursuing this line, the emirate has sought support from Algeria, which recently signed a long-term gas supply deal with France, and from Saudi Arabia, whose gas reserves are conservatively even bigger than its oil deposits.

But Qatar's idea raises some awkward problems for Opec. Not all its members are significant gas producers, potential or actual, and would not wish to become dangerously competitive with oil. Gas also tends to be a more localized industry than crude oil. General price fixing is therefore harder.

Whether Qatar will press for a broad Opec policy on gas pricing, or resign itself to building indexation into individual contracts, is still unclear. But in either case, the outcome implies a vested interest in stable or predictable oil prices, which in turn suggests continuing agreement in production levels. Qatar's Opec role is thus quietly changing. If the emirate does become a major gas exporter, Qatar is likely to be less pragmatic about Opec pricing than in the past.

Michael Prest

Banking Waiting for the cheque

Like all other business sectors in Qatar, Doha's bankers are waiting patiently for the planned \$6,000m development of the massive natural gas reserves of the North Field. "The go-ahead to develop the North Field has boosted confidence," says a British bank manager in the capital. An Arab banker adds: "Most of our future funds will be used to finance future development — especially the North Field."

Although it will probably take about a year from the first disbursements before funds from the North Field investment begin to filter into the banking system, the banks are unlikely to face any hardship in the short term. In a country where probably more than 90 per cent of the economy is generated through government expenditure, the banks began to reap the benefits in 1981 of the Government's first major spending increase for five years.

In the first half of 1981 the consolidated balance sheet of Qatar's 13 banks rose by 26 per cent to 9,193.6m Qatari rials. In June 1981 from 7,296.1m Qatari rials six months earlier. The rise for the full year was more than 30 per cent.

Banking in Qatar is a relatively young industry, the first bank having been established in 1950. The sector's growth has been steady rather than dramatic, reflecting the Government's own propensity for cautious, carefully-planned development. Opinions differ as to whether the country is overbanked or not.

It has never professed to be a Gulf financial centre and has avoided some of the excesses of some of its neighbours. Qatar's 13 banks and total population of only about 220,000 compares with Kuwait's six banks and 1,300,000 population and the UAE's 50 banks and 1 million population.

Licences to open branches in Doha were granted in the late 1970s to National Bank of Abu Dhabi and Saudi Arabia's National Commercial Bank, but it is highly unlikely this will happen. However, official confidence in the sector's future is such that two more institutions have been proposed.

Part of this confidence stems from the steady growth of the banking sector in recent years, and in particular the performance of the three locally-owned banks. The newest of the three, Doha Bank was formed in 1979 with a paid-up capital of 15m Qatari rials subscribed by Qatar Flour Mills Company, Qatar National Navigation & Transport Company, two local insurance firms and other private interests.

By the end of 1980 — its first full year of operation — the bank reported total assets/liabilities of 963m Qatari rials. The bank's high rate of growth is remarkable in view of the aggressive competition for funds among the banks. Artificially low fixed-interest rates have led to periodic outflows of capital, attracted by higher interest rates overseas, and resulted in shortages of liquidity in the local market. Nevertheless, Doha Bank's 1981 performance lifted it into second place in the Doha league in terms of assets/liabilities.

Other large banks include Arab Bank, which has its head office in Jordan, and the United Kingdom's Grindlays Bank and the British Bank of the Middle East.

The locally-owned Commercial Bank of Qatar, established in 1975 with a 30m Qatari capital, has grown less fast than Doha Bank although it too made ground rapidly in 1981. Its figures for April 1981 show total assets/liabilities of 454.5m Qatari rials.

All discussion of banking in Doha, however, is dominated by Qatar National Bank (QNB), which in 1981 accounted for 60 per cent of all deposits and 36 per cent of credit. Formed in 1965, the 50 per cent state-owned bank is the only local bank with offices abroad — two in London and one in Paris. QNB's assistant general manager, Qatani Masri says the bank has been "conservative in international business because of the uncertainty of international interest rates."

After an indifferent year in 1980 when total assets/liabilities dropped by 20 per cent to 4,255.4m rials, QNB recovered in 1981 with what it terms "impressive growth" to register total assets/liabilities of 5,614.5m rials.

One of the QNB's principal roles has been that of government banker, a side of its business that the bank likes to play down. Masri says: "We are often criticised for having government funds, but in reality we do not have much more than some other banks." At least

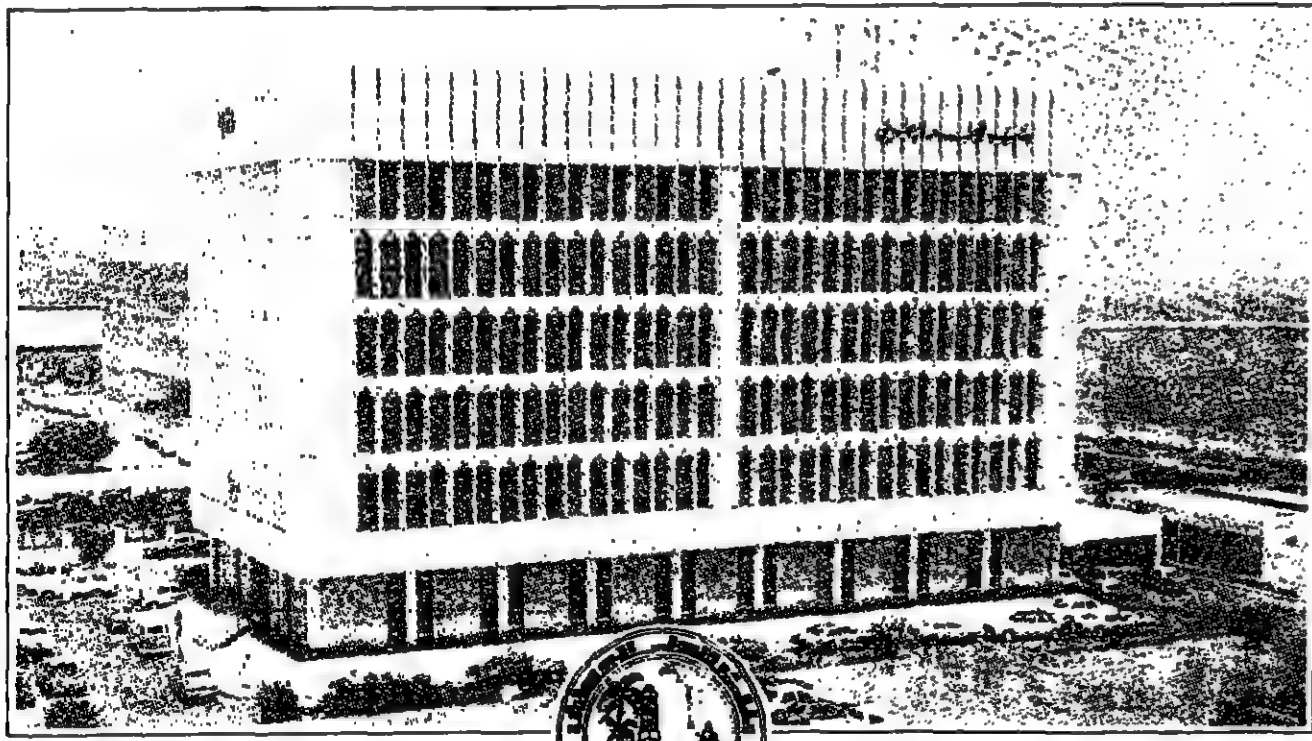
seven other banks receive government funds.

The main reason that the commercial banks handle the Government's revenues is that the state's fiscal authority, the Qatar Monetary Agency (QMA), is not yet equipped to handle them. Formed in 1972 with a total staff of six, this has now risen to about 115, a third of whom are Qataris. QMA director-general Majid al-Majid, who has campaigned for greater supervision of the financial sector, is confident his organization has stopped several malpractices by financial institutions.

Several measures have been proposed, but not yet approved, to empower QMA to tackle the drain on domestic liquidity. They include the power to require banks to have up to 20 per cent of liabilities in local liquid assets, and the start of a discount operation, giving banks access to short-term funds.

One area where the QMA has recently been flexing its muscles is the control of the finance and exchange houses. The QMA has, in the past, accused some of these establishments of overstepping their role by taking deposits and opening current and savings accounts. A law which came into effect in March gives the QMA the right to regulate the dealings of the 20 or so finance and exchange houses which account for about 500m rials of business every month.

Michael Petrie-Ritchie Middle East Economic Digest



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continued from page 1

royalties, which amounted to 25 per cent of the oil revenue, raised civil servants' salaries by 20 per cent and allocated the remainder to economic development. Not surprisingly, his accession was widely acclaimed.

Like many political leaders, he promised the people reforms that would strengthen the economy and bring them prosperity. Unlike most of them he has largely fulfilled his promises, some of them beyond the wildest expectations. He was the first ruler in the Gulf to diversify away from oil: the plans for the industrial centre at Umm Said were begun in the early 1960s and included a cement factory, flour mills, prawn processing, a fertilizer plant, a steel mill, and aluminium smelter, an LNG plant and a petrochemical complex (the first in the Arab world).

He was also a pioneer in halting the wasteful flaring of natural gas associated with oil extraction, diverting it as a source of power for the new industries.

More important, each industry was first subjected to the most rigorous market analysis (a step Shaikh Khalifa considers crucial) and a careful examination of production methods and long-term prospects. Unlike the Saudi Arabian establishment, he has come to terms with the need for Western expertise and technology while maintaining traditional Islamic values. As he put it to a meeting of the Advisory Council: "Our State believes in the necessity of defining needs and assessing potentialities so that we may deal with realities, establishing the public system on these realities and not on systems created in conditions totally differing from our own or experiences alien to us."

Shaikh Khalifa does not suffer fools gladly and can tolerate neither those who waste their educational opportunities nor hasty or clumsy development. "The process of national regeneration bears no resemblance to the lighting of a match which is extinguished a moment after it is struck."

At the annual opening of the Advisory Council last November, he reminded members that "it is not by mere size that the quality of a state may be estimated, but by her achievement with what she has been given." In some ways it is unfortunate that Shaikh Khalifa is the leader of such a small community, like Mr Lee Kuan Yew, Prime Minister of Singapore, his record suggests he is capable of leading a much larger nation.

G.W.

Industry

A climate fit for foreigners

Qatar recently acquired its first major manufacturing plant as a joint venture between the Hempel Group of Denmark and local and Kuwaiti interests. For Hempel it completed a chain of factories throughout the Gulf and for Qatar it provided yet another product which is now made at home. Not that Qatar needs import substitution industries in the strict sense since its status as an oil and gas exporter ensures ample liquidity of foreign exchange. More, it had been the policy of the Government, led by the Amir Shaikh Khalifa, to develop an industrial base which in times of world shortage of essential commodities would cushion Qatar against any drying up of imports.

Heavy industry is concentrated at Umm Said, 30 miles south of Doha, where Western companies have joined forces. The Government would number of manufacturing projects which all use gas as feedstock. The Qatar Steel Company (Qasco) brings in Japan's Kobe Steel and is described by the World Bank as a "model project"; the Qatar Fertiliser Company (Qafco) involves Norway's Norsk Hydro and two British concerns while the Qatar Petrochemical Company (Qapco) is a partnership between the Government and CIP Chemie of France.

Shortages of gas due to Opec-induced cuts in oil production have constrained production at some of the main Umm Said plants in recent months. This is because Umm Said uses associated gas — gas produced at the same time as crude oil.

Another problem has been technical difficulties with supply of gas through a pipeline from the offshore oil fields. Qapco has had to announce that a long awaited expansion of the plant, to produce high density polyethylene, has been delayed until the gas shortages are resolved. Since May 1981 Mitsui of Japan has been holding a letter of intent for the \$46m expansion plan.

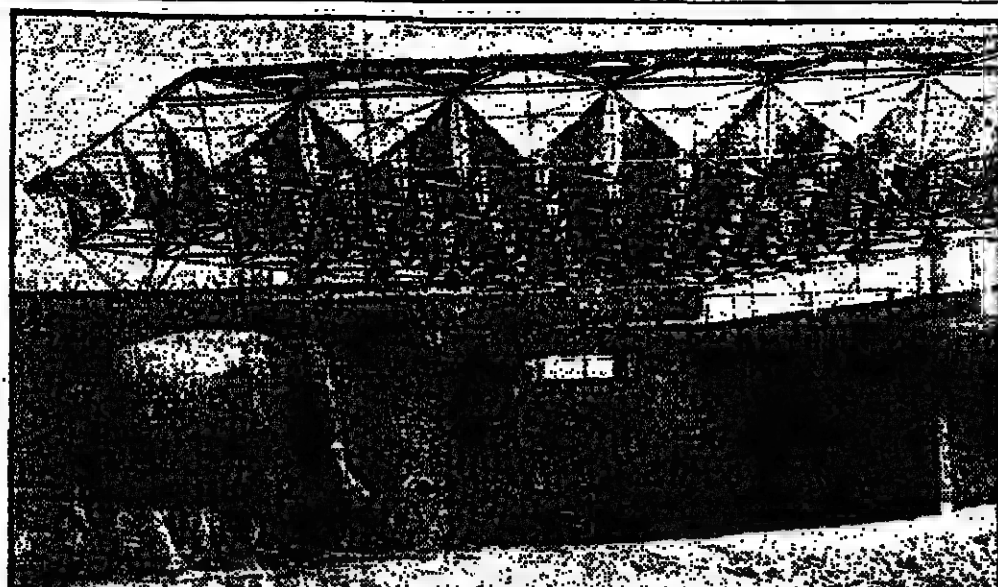
By contrast Qasco had an excellent year for steel production in 1981. Output reached 455,000 tonnes last year compared with the 330,000 tonnes nominal capacity of the direct reduction plant. This was the third successive year that production of steel exceeded the rated capacity of the plant.

The focus for industrial expansion in 1982 may switch away from Umm Said. The Doha Municipality is anxious to develop the Salwa Road industrial estate outside the city. The latest addition is to be a dairy products plant worth \$11m for which Danish expertise has been sought. The Qatar Flour Mills Company is also in the market for expansion with a proposal to raise its milling capacity from 100 tonnes a day to 400 tonnes a day.

The medium to long-term future, however, will be far more concerned with the government plans to develop a new town at Ras Laffan north of Doha. Ras Laffan is a barren area of desert north of the village of Khor where the only evidence of habitation is beach villas owned by prominent locals. By the late 1980s it will be humming with activity on the scale of Umm Said.

For Ras Laffan is to be the site of the onshore facilities linked to the plans to produce liquefied natural gas (LNG) from the North Field discovered many years ago by Shell. As a corollary to the LNG processing facilities there will be a 600 MW power station and 40 million gallon a day desalination plant. This is to be the successor to the present power and desalination station at Ras Abu Fanas south of Doha for which the consultants were Ewhank & Partners of the United Kingdom. This time, however, the project has been put under West German supervision with Fichtner expected to issue tender documents for Ras Laffan in the first half of 1982.

Big capital projects such as Ras Abu Fanas in the 1970s and Ras Laffan in the 1980s stimulate the local economy. The government hope always is that local entrepreneurs will come in on the coattails of the schemes. The incentives for Qatari businessmen investing in local industry are attractive. If convinced that a scheme is feasible the Government will give a package including free land, a five-year tax holiday, customs exemptions on inputs and water and electricity at nominal charges. The executive organization which handles promotion of light industry is the Industrial Development Technical Centre (IDTC) whose director-general is Mohammad Said Mishal.



The new Zoological Gardens in Doha, expected to open next September, were designed by the British architects John S Bonnington Partnership, and the London Zoo has advised on the choice of animals. Canopies in the open and air conditioning in the closed areas are necessary to combat the heat and humidity of the summer months.

Consulting Service

for the Gulf

A source of resource

"The Gulf Organization for Industrial Consulting was a matter of necessity when it was set up in 1976", said its secretary-general Dr Abdulrahman Al-Moajil. "The problem now is that it has done so much in a short time that public awareness of it has not kept pace. Many people do not know about it, even in the member states."

A non-political association of Gulf Arab countries which has its headquarters in Qatar, the basic principle of GOIC was simple. Seven states: Saudi Arabia, the United Arab Emirates, Qatar, Kuwait, Iraq, Bahrain and Oman founded this organization to share their individual knowledge and experience in industrial matters, encourage development in the region by mutual agreement and seek new fields of enterprise.

The aims of industrial development here form the antithesis of comparable government projects in most other parts of the world. There, an important reason for the project — sometimes the most important — is to provide employment. In five out of seven of these Gulf states the labour force has to be brought in from abroad and often a good many of the skilled technicians also. The maximum use of resources with minimum labour is therefore a common need.

John Whelan

Deputy Editor, Middle East Economic Digest

Business prospects

Spurt of growth from old roots

Ten years after its independence was proclaimed Qatar has definitely established its own character as a country and as a trading partner.

The potential for expanding British business connections is good. Mr John Biffen, Secretary of State for Trade, has commented on the fact that Britain supplied almost 18 per cent of Qatar's imports in 1980, a higher proportion than we can claim in any other Gulf state. But this is not a country to approach with complacency.

As many business travellers discover, it is a mistake to assume that all Gulf states are identical or all Gulf Arabs alike. Geographically and climatically the setting is similar. In the situation of rapid development into modern life, circumstances are also much the same in most of them — a small, rich indigenous people employing a wholly disproportionate number of expatriates in the initial work of creating a state. After that the differences are marked.

Compared with the great areas of Saudi Arabia and the UAE, Qatar is a very small country, but that is not the only reason for the difference. Bahrain is smaller still and very near, but the contrast between the thinking and way of life in these two countries is as striking as any in the whole area and has its roots in history.

Qataris are friendly and very ready to like British people and to welcome links between the two countries, which is an asset for any first time visitor from the United Kingdom.

Qataris have a strict sense of values rooted in the Islamic faith but comparable to past standards of public opinion and ethics in the West. They are also hard, practical businessmen.

Eighty per cent of the country's population lives in and around the capital Doha, but as the total population is only about 220,000 the city is still a relatively small one with a distinct community feeling.

More or less everyone in official or business circles is acquainted with everyone else, or at least knows of them. Once the newcomer or even short-term visitor is accepted in this close-knit, hospitable world much is already accomplished. Equally, giving a bad initial impression can prove a lasting handicap.

Today British firms come in for a certain amount of trenchant criticism on the scores of late deliveries and high prices. Qataris are very ready to like and cooperate with the United Kingdom but they like a bargain even more. They will almost always settle for the lowest tender even if this means that the quality of the goods is also lower.

Two things are important for any visitor to Qatar (which means to its capital Doha) and especially so for the business pioneer who hopes to sow seeds for a future harvest.

One is courtesy with reliability. Arabs are frequently unpunctual and not always prompt or efficient in correspondence. Qataris, though, less prone to these habits than most, are not free from them but they very much admire and expect the old "Englishman's word is his bond" standards from the British.

Secondly the Westerner needs to understand and adopt the Arab high rating of personal contacts. Even when a firm has an efficient agent in Qatar it is still important to send a responsible executive over to establish business and then by regular visits to retain or increase it. And it should be the same person. Friendships once made are lasting.

For the newcomer to trading with Qatar two sources of factual information are the Qatar Chamber of Commerce and the British Embassy.

The Chamber of Commerce (P.O. Box 402 Doha) was established in 1963 and now has more than 300 members, regular merchants and contractors rather than minor retailers. It can supply details of the Qatar laws related to setting up a business or simply lists of local merchants.

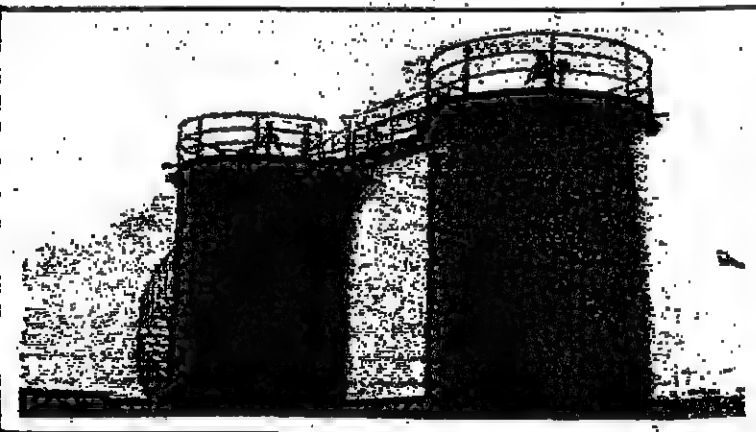
The Commercial Section of the British Embassy in Doha is also able to provide factual information and statistics as well as helpful and current advice.

No visas or sponsors are required for visitors from Britain to enter Qatar. Once there success in doing business, however, does demand some understanding of the country, its needs, aims and conventions as well as a sound marketable product and healthy, competitive approach.

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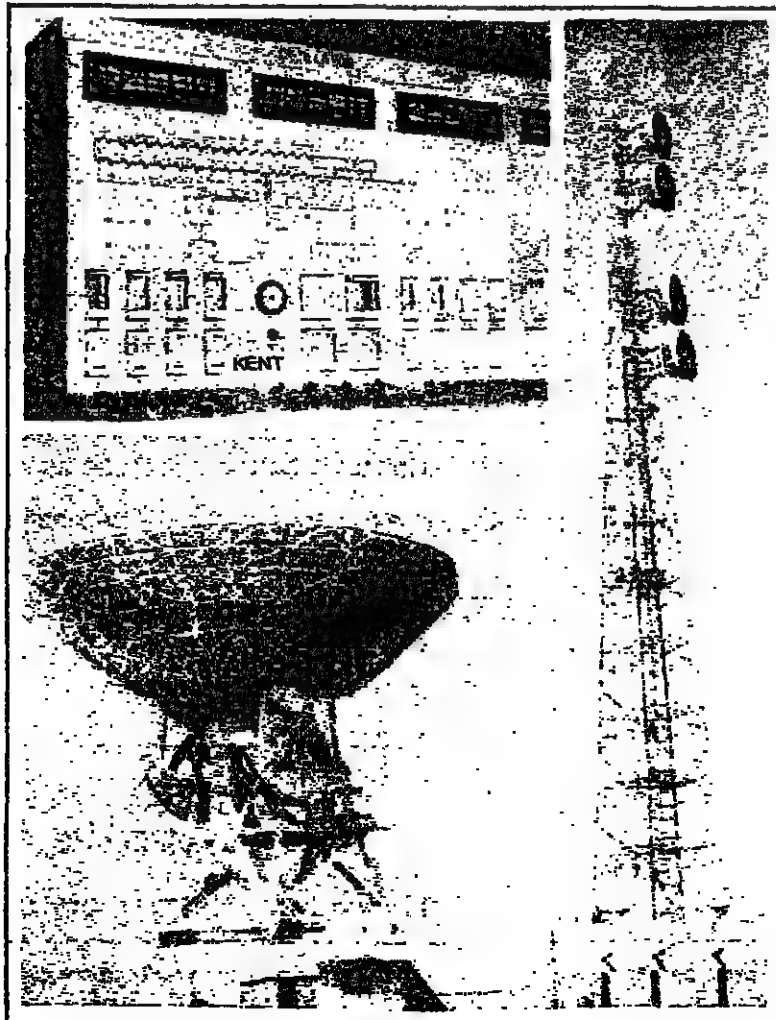
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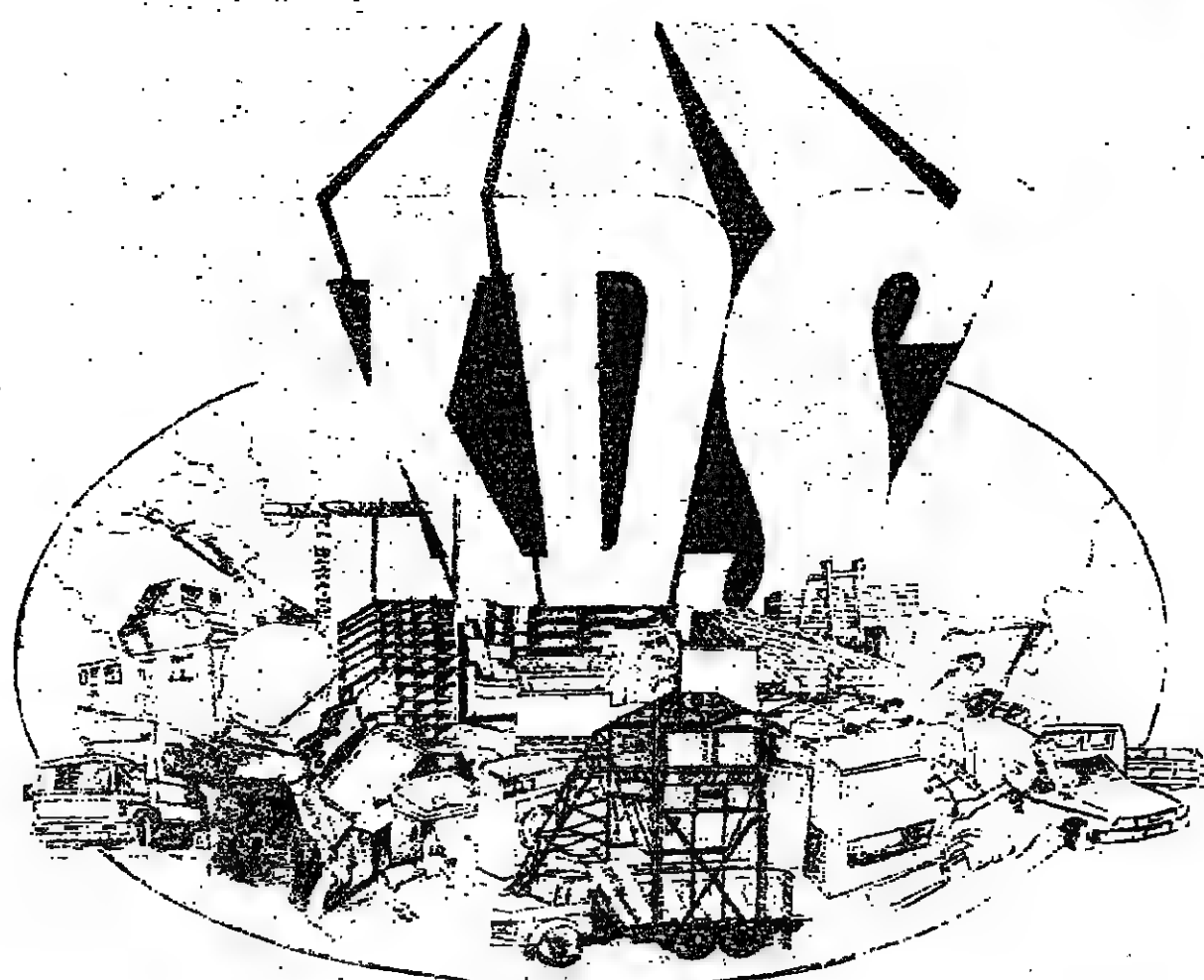
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COMPUTERABIA

Doha A boom without the bother

Qatar sticks out into the Gulf like a swollen thumb. One might think from the map that it commanded a particularly strategic point. But until the middle of the nineteenth century it hardly figured even on naval maps of the area. From the sea the peninsula lacked any decent harbour, from the land it lacked any decent water. Caravans and merchantmen passed it by.

These drawbacks have been to Doha's advantage in the 30 years since oil was discovered; generally it has been avoided by the crowds of entrepreneurs and speculators who have swarmed over other oil capitals, bringing their problems with them.

Like most cities of the Gulf, Doha began life as a fishing and pearling village, squatting on the flat shallow shore, invisible against the sand. This was "the land God forgot". The artificial pearl was created by the Japanese in the 1930s and upset the balance of survival. Fifteen years or so later, in 1949, oil was discovered by the British and readjusted the balance. Doha began to change.

Until the 1970s the change was more gradual than elsewhere in the Gulf and much of Doha is still untouched by speculative building. The Qataris are often described as reticent and cautious; so were their British advisers. The town grew haphazardly, unwilling to be trammelled by town planners' ring roads.

The village merged into the town about oil capital, rather than let itself be submerged, and the town remained a town. Qatar's fishing and pearling past was enshrined, more effectively than in other Gulf centres, in what is paradoxically one of the most successful modern complexes in Doha. Narrow streets, rows of craftsmen voices and cats on corners give Doha a middle age that is missing in the more nouveau riches capitals of the Gulf.

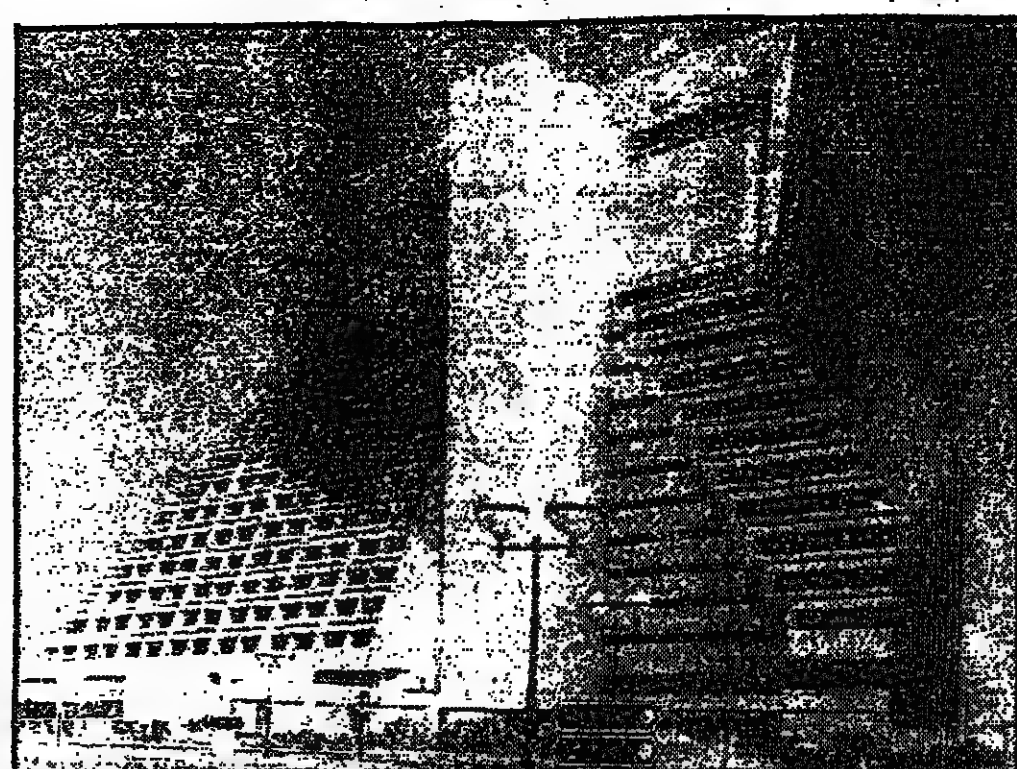
Off-stage, however, a change of scene has been prepared over the past decade which is only now beginning to emerge. In February the tenth anniversary of the Ruler's accession marked its unveiling. Fireworks along the corniche of the reclaimed West Bay illuminated a grandiose promenade of banks and financial institutions built during this last decade, ousting their picturesque but primitive original quarters.

The huge stepped pyramid of the Sheraton, a 400-room hotel and adjoining conference centre, rides at anchor at the mouth of the bay on a peninsula of reclaimed land. It was inaugurated earlier this month for the conference of the organization of Arab Petroleum Exporting countries, along with the 600-bed Hamad General Hospital and the Salam shopping plaza. A new television studio complex was opened in March and soon there will be a new zoo, whose inhabitants will include some of the famous oryx which the Ruler saved from extinction.

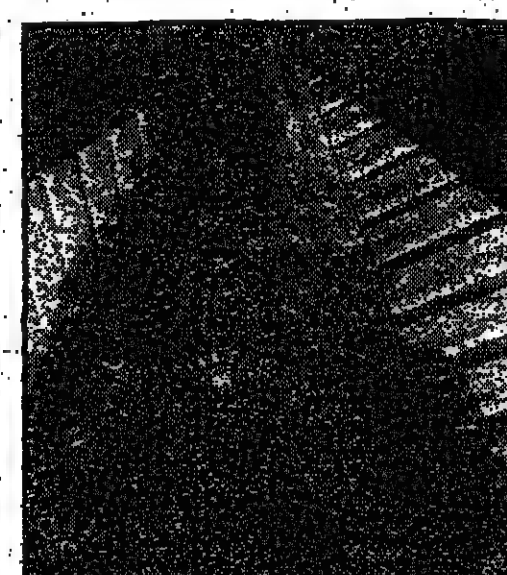
Doha is the Ruler's brainchild, its development directed by Hisham Qaddoumi, who is in charge of the modest-sounding but ambitiously wide-ranging Technical Office in the Ruler's palace. The walls of his office are covered with drawings of leisure centres, recreational areas, relocated markets.

"We are not interested in instant cities," says Qaddoumi; "long-term planning remains our motto." Much of the new development is sited on reclaimed land where plots are much cheaper than in the congested city centre. The city is being developed around various nuclei — the existing university of 3,500 students, a 470-acre recreational park on the shore to the north, the new hotel and conference centre, a shopping centre round the Salam plaza, a ministerial complex on the corniche (in various stages of planning and development), the extended palace and so on.

The present suq area remains but will be expanded and pedestrianized; the clamour over the removal of the fruit and vegetable markets out of town (to exclude truck traffic) will lead to the relocation of smaller retail centres throughout the town. Roads within the city are seen by Mr Qaddoumi as part



The Ruler of Qatar, Shaikh Khalifa bin Hamad al-Thani, celebrated the tenth anniversary of his accession last month by opening the Doha Sheraton. This hotel and conference centre (above) — one of the most spectacular pieces of architecture in the Middle East — was designed by the Californian architects William L. Pereira Associates. (Below right): the glass lifts.



of the essential groundwork of his scheme, and he is steering the ring roads northwards to blend the old city with the new. He is only just in time for traffic is already grinding to a halt, not helped by the fact that such drastic alteration to the alignment of Doha means roadworks, roadworks and more roadworks.

Long-term planning, notwithstanding, pressure on housing has forced the government to ease building finance in that direction. Rents have risen some 30 per cent in the past year. Private housing will be left to private developers but certain areas have been set aside for government schemes for its own employees.

A township of low-cost housing, Shaikh Khalifa town, was built several years ago to the west of Doha, but the city needs more integrated low-cost complexes. The boom in construction is often interpreted as part of the general excitement over the promised development of the North Field gas reserves. This is unfair to the Qataris, although the gas was discovered only the year before

the Ruler's accession, which also marks the beginning of the present redesign of Doha.

The potential of the North Field has certainly awoken interest in Qatar, previously regarded as one of the less well off of the oil producers, and it has given the Qataris themselves a boost in confidence, symbolized by the magnificence of the Sheraton conference centre. It is this confidence which is apparent in the scaffolding and dust.

But economic expansion from the development of the gas reserves is still a long way off and the Qatar government neither should nor does look to it as the justification for Doha's renewal.

Urban development in the Gulf has taken some nasty knocks in recent years. It is easy enough to be wise after the event, difficult to be wise before. Too many hotels? Too much office space? Shortage of private housing? The balance is extraordinarily sensitive, and the Ruler and Mr Qaddoumi would like to avoid accusations of ill-planned extravagance.

Sarah Searight

A visitor's guide Trouble-free environment for businessmen

Qatar presents few material problems or frustrations for the business visitor. It is easy to reach, compact since the majority will be concerned only with Doha and perhaps Umm Said, 40 km to the south, and well equipped with hotels. Indeed, like some other Gulf states it already has something of a surfeit of top class hotels which is good for the visitor, keeping prices down and standards up through competition.

Doha's international airport is small and simple in comparison with some of its neighbours, but adequate and the staff are helpful. It is linked by various air services with most parts of the world from Tokyo to Belfast.

Gulf Air, Qatar's national airline (shared with the UAE, Bahrain and Oman) has daily flights to and from London, four of them non-stop, and provides comprehensive inter-Gulf as well as long-haul service. Bahrain is only a 20 minutes flight from Doha. British Airways also has a service from London three times a week.

No visas are required for holders of British passports who were born in Britain. Others can obtain a 72-hour visa at the airport if their visit has a Qatar sponsor. Holders of Israeli passports or others whose passport bears an Israeli stamp are not admitted.

The only inoculation required by the Qatar authorities is for cholera. Medical advice in Britain also recommends immunization against typhoid and polio, and anti-malarial tablets.

The airport is conveniently close to the city and traffic conditions being rather easier than in some other Gulf capitals one can normally reckon to reach Doha hotels

from the airport, or to drive from one part of the town to another in 15 to 20 minutes.

Doha's hotels fall naturally into two groups: luxury and near luxury, and others. In the first the Gulf Hotel is still the well-established classic venue which has long been used for official guests and functions and is a social meeting place. It is on the sea, close to town and airport and the standard of both food and service is excellent and has risen markedly in the last three years. Bedrooms are large with typical five-star amenities. Single rate without breakfast is from 285 rials.

The hotel has its own yacht marina and beach as well as swimming pool, and a pleasant feature is afternoon tea on the mezzanine floor.

The Ramada, opened in 1979, is 10 km from the centre of Doha, in the Salwa Road district, near the embassy offering international five-star quality standards, with special business and secretarial services as well as sports facilities. Room rates are from 330 rials, including breakfast.

There are three restaurants. Maxims is the luxury one, open only in the evenings with excellent international food and service and live music — pianist or small ensemble. The Lolua restaurant offers an executive table d'hôte lunch with accent on fish, and is also available for private receptions.

Newest of Doha's hotels is the Sheraton, officially opened a few weeks ago. This is an ultra-modern pyramid at the far northern end of the corniche (the opposite end of the bay to the Gulf Hotel), and with 430 rooms and full

conference centre will present substantial extra competition for the other hotels. The single room rate is from 300 rials.

The Oasis stands beside the Gulf Hotel and offers good value at a lower price level: from 245 rials. This was Doha's first major hotel, built in 1958 but now fully modernized. It has well equipped, comfortable bedrooms, two cafeteria restaurants, a banqueting room for special functions, beach and swimming pool and

accommodation for medium-sized conferences.

Other hotels can be grouped as European two-star standard.

For Arab food go to Al Majlis where most of the meats are barbecued and there is a good range of the Lebanese type hors d'oeuvres. Prices are reasonable. A coffee house next door has delicious cakes and is owned by the same company.

Penelope Turing



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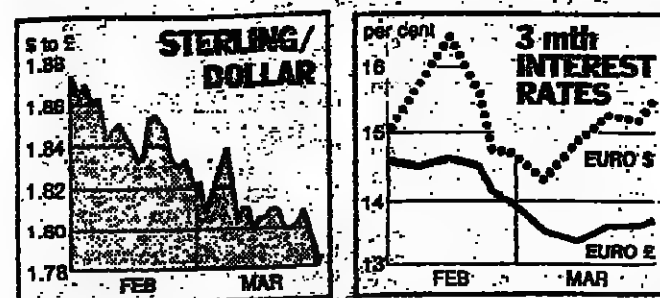
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BUSINESS NEWS

Sterling steadier



The pound was much firmer against the dollar yesterday in quiet trading. It closed a net 25 points up at \$1.7825, though its index against a basket of currencies was 0.1 easier at 90.8. The dollar, still buoyed by firm interest rates, failed to hold on to early strength which lifted it to DM2.42, before profit-taking left it a net 20 points lower at DM2.415. The dollar was also softer against the yen after Japanese central bank intervention, but gained against the Swiss franc after further cuts in Swiss bank deposit rates.

Clore ruling next week

The Appeal Court hearing over the £15m claimed by the Inland Revenue on the estate of the late Sir Charles Clore is now expected to continue until Thursday. It is understood that the judgment will be transferred to a Jersey-based company, Style Investments, which then sold off the assets to Confidential Assurance. The receipts, amounting to £20.5m, were immediately banked in Jersey.

Mexico could cut oil price

Mexico, a leading non-Opec oil producer, said yesterday it had not ruled out a further cut in its oil prices next month. This would put more pressure on Opec's fragile attempt to hold levels around a \$34-a-barrel reference price. Mobil, Shell and Gulf, the leading producers in Nigeria, said they had not been told of any move by Saudi Arabia to impose sanctions, despite the expiry of the reported deadline for companies to increase liftings from Nigeria. *Petroleum Intelligence Weekly*, the industry newsletter, said Opec's high prices could cost the four operating companies in Saudi Arabia—Exxon, Mobil, Texaco and Chevron—\$1,800m (£1,000m) in losses over the next three months.

EEC withdrawal threat to jobs

Withdrawal of the United Kingdom from the European Community could threaten many of the 2.5 million jobs which are linked directly and indirectly to Britain's trade with Europe, Sir Raymond Penneck, president of the Confederation of British Industry warned in Sheffield last night. The warning comes in a new survey in which one-third of those questioned were in favour of leaving the European community.

South Wales tour

Japanese businessmen start a week-long tour of South Wales today, organized by the Development Corporation for Wales and the Japanese Chamber of Commerce and Industry in the United Kingdom. The corporation hopes for more Japanese investment in the region, which has already attracted the heaviest concentration of Japanese manufacturing in Britain, and possibly Europe.

Department of Trade officials are continuing to investigate exporters' complaints of differences in freight rates.

MARKET SUMMARY

Trading news lifts gloom

LONDON EXCHANGE

FT Index 562.3 up 7.2
FT 100 68.30 up 0.07
FT All Share 223.31 up 2.85
BARGAINS 23,039

A crop of healthy trading news and optimistic words from the Governor of the Bank of England on Monday evening on inflation lifted the gloom from the market as the FT index rose steadily to close up 7.2 at 562.3.

But it was not all glad tidings, with Cape Industries plunging 33p to 130p after a 66p net slump in profits to £2.2m pre-tax and a slashed dividend.

Reckitt & Coleman set the tone for companies reporting with the shares up 6p to 294p after a 25 per cent rise in profits, while Laker Aerospace put on a 15p rise on satisfactory trading news.

A dawn raid on book publisher Richard Clay pushed the shares up 20p to 66p but left Mr Robert Maxwell's BPC with only 5.7 per cent of the equity instead of the 14.9 per cent he had hoped for, as another buyer appeared in the market.

Engineering group Babcock & Wilcox rose 10p to 20p after a 20p rise in profits to £1.1m, while the group was planning to bid for Merrydown, the only other quoted cider maker. The real reason appears to be a bear squeeze.

Both firms are largely family controlled. A Merrydown spokesman also dismissed the rumours, saying that there had been no talks and that the family shareholders would not be involved in selling. Merrydown put on 5p to 72p.

Sangera shares were unchanged at 51p after boardroom upheavals saw offshore based financier, Mr Tom Whyte get a director's seat with the loss-making pharmaceuticals group. Mr Whyte has 24 per cent of the group and made an unsuccessful attempt earlier this year to persuade the board to acquire an American investment, broking business at a cost of about £12m.

Trade in gilts was subdued, with a slight recovery after several days of gloom leaving gains of up to 5½p across the board.

Revised bid speculation pushed Spirax Sarco up 20p to 308p while Courtaulds shares were 5p better at 86p amid speculation that the group's recovery could well exceed estimates. There are also vague suggestions of a link-up with Beecham, 4p ahead at 232p.

An 18.3 per cent jump in profits pushed Spirax Sarco up 20p to 308p while Courtaulds shares were 5p better at 86p amid speculation that the group's recovery could well exceed estimates. There are also vague suggestions of a link-up with Beecham, 4p ahead at 232p.

Manchester motor dealer H & J Quick managed to raise its final dividend despite a pre-tax loss of £2,000 on sales of 49,795, but the shares were unchanged at 45p.

COMMODITIES

● Tin prices eased after their modest recovery on Monday, partly because the International Tin Council meeting was again adjourned without a decision on export controls. Cash tin ended the day 266 lower at £6,980 a tonne, while three months metal fell by 507 to £7,175. Consumer members of the tin agreement appeared better disposed towards a new proposal that tin which might have fallen under export controls, should instead be lent to the buffer stock.

● Cocoa was influenced by the latest monthly report from the International Cocoa Council which forecast a 1981-2 surplus of 81,000 tonnes from production of 1.7 million tonnes. The March contract fell 227 to £985 a tonne, and May lost 224 to close at £986. Gill & Duffus said that the cocoa agreement's bottom intervention price of 106 cents a pound was no longer a realistic short term target.

TODAY

Interim: A. B. Electronics Products, Castlefield (Kang) Rubber Estates, Minerals Oil and Resources, Park Place Investments, W. Tyndall and Turner. Final: Babcock International, Bowthorpe, British Mohair, Bunzl Pulp and Paper (to become Bunzl plc), Croda International, Dinkie Real, Dorada Holdings (AMD), Guardian Royal Exchange Assurance, Jamieson's Chocolates, Legal and General Group, Manolia Group, Molins, Sikolene Lubricants (AMD), Weir Group, Wilkinson Warburton.

OTHER EXCHANGES

Tokyo: Nikkei Dow Jones Index 7,193.83 down 5.33
Hongkong: Hang Sing Index 1,167.18 down 7.56

CURRENCIES

● Most currencies traded narrowly in quiet trading. The dollar, initially firmer, eased later on profit-taking.

LONDON CLOSE
STERLING
\$1.7825 up 25 points
Index 90.8 down 0.1
DM 4.3050
YEN 438.50
DOLLAR
Index 115.9 down 0.3
DM 2.4115 down 20pts
GOLD \$325.75 up \$8.75

MONEY MARKETS

● Period rates were slightly firmer but short term rates eased as the market moved into surplus. The Bank, having forecast a surplus of \$100m, sold \$41m of bills, redeemable today, at rates of 12½-13%. Domestic rates: Base rates 13%, 3 month interbank 13½-14%, Euro-currency rates: 3 month dollar 15½-16%, 3 month DM 9½-9¾%, 3 month Fr 25-24

Rise in unemployment lifts productivity

By Melvyn Westlake

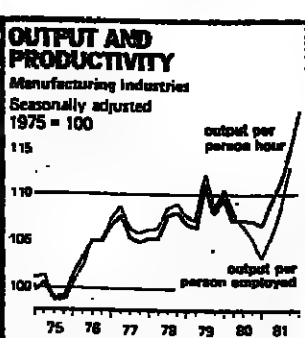
As jobs in manufacturing industry disappeared last year, the remaining employees worked much harder, producing a dramatic boost to productivity.

Output per person leaped 10.2 per cent between the last quarter of 1980 and the last quarter of 1981, according to the latest *Employment Gazette*, published by the Department of Employment.

The rise in productivity has been one of the few bright spots in manufacturing industry, where total output is still a long way below the 1979 peak and where 1½ million jobs have vanished in just over two years.

Government ministers have welcomed the big improvement in productivity as an indication that the labour shake-out is producing beneficial results, opening the way to more rapid economic expansion in the future.

The latest figures show that productivity continued to improve in the last three



months of 1981, increasing a further 1 per cent. This was rather slower than the rate of productivity growth in the second and third quarters. Two measures are used.

One is output per person; the other is amount of output achieved by a person in one hour. The latter measure has increased a little more slowly than the former over the last year, increasing by 8.3 per cent (compared with 10.2 per cent).

This is because short-time working has been decreasing and overtime working has

been rising, leading to an increase in the average number of hours worked. Last year's improvement in productivity reflects the fact that the level of output stopped falling, but the number of jobs in manufacturing was still declining.

The productivity gains in 1981 more than reverse the decline that took place in the second half of 1979 and during 1980 when output was falling faster but jobs were vanishing even more rapidly.

Output per head is now 3½ per cent above its start of the recession peak while output per person per hour is 6½ per cent above its previous peak.

There is a good deal of argument amongst economists about whether this improvement represents just a sharp short-term recovery or the beginning of a long term trend.

The Treasury believes that it may be part of a long-term trend. In the past, the initial gains in productivity that occurred when the economy turned up, soon tapered off.

No sign of an end to US recession

From Bailey Morris

The United States index of leading economic indicators declined for the tenth consecutive month in February, giving no sign that the severe recession has ended.

The Commerce Department reported today that five of the nine indicators in the index last month were unfavourable and four favourable, resulting in an overall drop of 0.3 per cent.

A department economist said the February results were something of a mixed blessing, showing that the United States economy is still declining but is near the bottom.

Private Wall Street opinion forecast that the economy is likely to hit bottom with the March figures before beginning a modest climb. Continuing high interest rates continue to be the major uncertainty behind the recovery projections.

Commerce Department officials said the rate of

change in total liquid assets or spendable income was the most unfavourable February indicator.

Also contributing to the decline were lower stock prices, a drop in building permits after two months of increases and continuing slide in the industrial sector which showed up in lower plant and equipment orders and crude material prices.

The favourable indicators last month included a slight increase in the money supply, increased manufacturing orders, a big drop in initial unemployment claims and slower sales performance.

A Commerce Department spokesman said declining indicators last month reflected continuing sluggishness in industrial production which accounts for one-third of the total United States economy and therefore exerts great influence on the index, considered the best signal of meaningful change in the economy.

£20m boost for small companies

By Rupert Morris

The Government will pay a third of the cost of advanced machinery bought by small engineering companies under a scheme introduced yesterday by Mr John MacGregor, Under-Secretary of State for Industry.

In an effort to re-equip the recession-ravaged engineering industry, centred on the West Midlands, £20m has been set aside for one year.

Applications for grant under the Small Engineering Firms Investment Scheme are confined to firms employing fewer than 200 people, and wishing to buy machinery costing between £15,000 and £200,000.

Mr MacGregor emphasized yesterday that the level of grant was particularly generous in recognition of the plight of small engineering firms. He hoped it would also provide a boost for the British machine tool industry. Similar schemes operated successfully in France and West Germany, he said.

More ship orders go to Japan

By Peter Hill

Japanese shipyards claimed 71 per cent of all new orders placed with shipbuilding member countries of the Organization for Economic Cooperation and Development last year, securing slightly more than 10 million tonnes gross of the 14.1 million tonnes placed.

The Japanese share of orders has been a source of some bitterness among European shipbuilders for several years and has led to serious confrontations at meetings of the OECD's shipbuilding committee.

According to the latest figures, exports among members of the OECD fell by 6 per cent last year, with Japanese ship exports dropping by 16 per cent on year earlier levels.

Figures published yesterday by Lloyd's Register of Shipping showed that the tonnage of merchant total completed around the world last year rose by almost 4 million tonnes gross to 16.9 million tonnes.

Gareth David

Banks fear tax credit changes

By Peter Wilson-Smith

The British Bankers' Association has written to Sir Geoffrey Howe, the Chancellor, expressing fears over proposed Budget changes on tax credits available on certain overseas loans.

Mr John Reynolds, chairman of the association's fiscal committee which met yesterday said: "These are changes which could destroy our competitive position."

He said there was no real reason to change the present system, but if it was changed, it was important to ensure that banks in Britain were not put at a disadvantage to overseas competitors.

At present, banks operating in the United Kingdom can in some cases claim tax credits against corporation tax as offsets against withholding tax abroad, even though the withholding tax may not be paid by the system, which arises under some double taxation treaties.

Enables banks to charge finer rates on loans in countries such as Malaysia, South Korea and Brazil.



John MacGregor: 'Generous'

Coming on top of existing grant schemes, the new arrangement would make it possible for a firm in a special development area to claim grants of up to 48 per cent with a maximum of £100,000.

The scheme was warmly welcomed by Mr Terry Duffy, Amalgamated Union of Engineering Workers president.

Col Robert Scott, director-general of the Engineering Industries Association, representing 4,500 small firms, said he hoped 20 per cent of eligible firms would apply, although even then he warned that many would not be able to raise the remaining capital.

MINISTER FAVOURS PRIVATIZATION Technology centre may be sold

The Government is investigating the possibility of selling off its computer aided design centre at Cambridge despite expectations that such government-funded centres would play a vital role in promoting new technology.

Mr Kenneth Baker, Minister of State for Industry and Information Technology outlined the Government's policy at the CAD conference in Brighton yesterday.

The decision to privatize the centre is based on the belief that the establishment could be run on a more commercial basis.

The minister said: "In 1969 the Government set up the centre to promote the use of CAD/CAM (computer aided manufacturing) techniques in British industry. Since then this has been successful in a number of key areas, notably in CAD for the process industries and computer-aided engineering for manufacturing. Given this success I think that the time is now right for Cadcentre to operate as a fully commercial organisation."

The centre costs £4m a year to run but generates nearly £2m from consultancy



Kenneth Baker: Success in key areas

work. Only six of the 150 staff at the centre are employed directly by the Government while the remainder are provided by ICL.

Although the Government has two schemes in progress with joint budgets of £15m to promote technology, the centre was expected to play a central role in advancing the science in the United Kingdom.

A report prepared two years ago for the Cabinet Office by the Advisory Council for Applied Research and Development (ACARD) also indicated that the work of the centre in Cambridge would

play a big part in developing the technology for use in British industry.

The Government did not form a new centre but appointed Dr Paul Freeman as director of both the National Engineering Laboratory and Cadcentre.

The ACARD report highlighted the importance of the technology and its use in mechanical engineering, electrical engineering, electronics, aerospace, the chemical industry, marine engineering and the construction industry.

The authors of the report were in no doubt that Britain lacked experience.

"While our survey was not exhaustive it is clear that at least some of this country's main competitors in export markets — notably West Germany, Japan and the United States — have substantial government-supported research, development and application programmes already in existence."

The ACARD report also emphasized that: "To keep its advice up-to-date the Department of Industry should maintain a close watch on developments overseas, if necessary by retaining specialist consultants for the task."



Sir Austin Pearce: £50.5m launch costs for the new 146.

British Aerospace profits hit by Laker Airways collapse

By Edward Townsend, Industrial correspondent

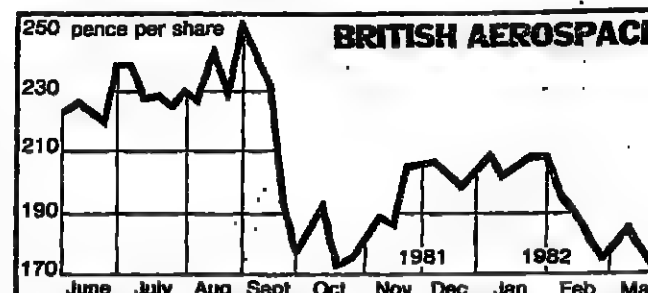
British Aerospace yesterday announced a pre-tax profit of £70.6m for last year, an increase of almost £18m on 1980, but warned that a further 2,000 job losses may be necessary this year.

Sir Austin Pearce, the chairman, disclosed that the company's profits were hit by a provision of £8m set up after the collapse of Laker Airways to cover BAe guarantees on the sale to Laker of three Airbus A300 aircraft.

British Aerospace and Aerospatiale of France, two of the partners in Airbus Industrie, agreed to accept a 25 per cent first loss guarantee on the sale of the aircraft, but Sir Austin said that if the Laker Airbus were sold at 90 per cent of their purchase price the loss would be reduced considerably.

The results, the first since the successful privatization of the group a year ago, show that sales last year increased by 17 per cent to £1,662m. Sir Austin said the company had two years' work in hand and further orders were imminent for the Hawk military trainer aircraft, the 748 feeder airliner and the Sea Harrier fighter.

However, the group had been affected by the recession in the world airline business which had hit sales



of civil aircraft and by a slowdown in military sales including the Tornado swing wing aircraft and some of the company's missiles. Because of the recession, the rate of build up of Airbus sales would be slower, Sir Austin said.

Sales of the new British Aerospace 146 feeder jet had been disappointing and airlines were being "coy". The 146 had generated 10 sales and 12 options and performance tests on noise levels and fuel efficiency had shown better than expected results. "Now we have got to sell it," the chairman said.

British Aerospace now employs 79,000 at more than 20 plants and last week announced that 1,200 workers would be made redundant in the next 12 months, the bulk of them at present engaged in repair and maintenance work for the Royal Air Force. Sir Austin said yesterday that while no more redundancies were planned,

productivity needed to be improved and up to 2,000 jobs would be lost by natural wastage.

British Aerospace has made total provisions of about £20m for 1981 which includes the losses on the Laker Airbus and covers redundancy payments for the current year.

The company said that after a thorough review of new civil aircraft projects it had decided to write off launching costs of £50.5m in 1981 covering design and development work on the 146, the Airbus and the new Jetstream turbo prop aircraft, with a further £100.5m carried forward. The British Aerospace trading profit for last year, before launch costs and interest was £95m, 3 per cent higher than the previous year.

The company is proposing a final dividend of 4.8p per 50p share.

Business Editor, page 15

Petition on Gill payoff amended

By David Johnston

Associated Communications Corporation shareholders were allowed by a High Court yesterday to amend their petition challenging the record £560,000 golden handshake proposed for Mr Jack Gill, the property and entertainment group's former managing director.

But Mr Justice Mervyn Davies disallowed a further five proposed amendments, claiming "unauthorized extravagant living at the company's expense — after objections by the company and Mr Gill."

The shareholders, led by Postfund Nominees, the Post Office staff pension fund, were given until Monday to make acceptable substitutions for the deletions to the petition alleging that the company's affairs had been conducted in a manner unfairly prejudicial to them.

The judge also gave them leave to appeal his decision. Mr Reg Pycroft, managing director of Jetsave, the East Grinstead tour operator, 85 per cent owned by ACC, said yesterday he would be pursuing his proposal to buy back Jetsave as soon as possible.

First National Securities Base rate

First National Securities Limited announces that with effect from 1st April 1982 its base rate for lending will be reduced to 15½%.

First National Securities Ltd., First National House, College Road, Harrow, Middlesex HA1 1FB. Telephone: 01-861-1313.

BRITISH AEROSPACE

Results for 1981

Extract from preliminary announcement of results for 1981, based on audited accounts for the year to 31st December, 1981.

	1981	1980
	£m	£m
Sales	1662	1423
Trading profit	95	92
Launch costs written off	50	54
Net interest receivable	25	14
Profit before tax	71	53
Earnings per share (nil basis)	35.5p	33.5p
	£m	£m
Order book	3891	3497

The report and accounts for 1981 will be posted to shareholders before the end of April.



BAG11 BRITISH AEROSPACE PUBLIC LIMITED COMPANY WYRIDGE, SURREY

BUSINESS NEWS/COMPANIES AND MARKET REPORTS

Reckitt and Colman shrugs off the recession

Supplying the demand that never fades

Many company chairmen must wish they were in Sir James Cleminson's shoes. As chairman of Reckitt and Colman, where pretax profits rose from £53.2m to £66.35m for the year to last December, Sir James was able to say yesterday that Reckitt was not trading in depressed sectors of the economy. (Drew Johnston writes).

"Most of the groups products are of the kind people continue to buy even when times are difficult," he said.

The solid profits performance has been helped along by favourable currency movement. Excluding south America, reported profits in 1979 and 1980 went down by nearly £3m because of the relative strength of sterling. But last year, with sterling weakening against most other currencies, the pretax benefited by £1.82m.

Reckitt had fought to increase sales by spending more on marketing. This increased spending was found from cost savings

and increased production, and led to a 13.6 per cent total sales increase, up from £728m to £827m last year.

The United Kingdom performance contributed a good part of the profit increase in the year. Happily for the company, this coincided with a lower than average tax charge as a £12m capital expenditure programme, which included modernization and rebuilding of the plants at Hull and Norwich, helped to keep the tax bite down.

On a current cost basis, the profits before tax were up from £32.4m to £45.2m. This is 68 per cent of historical pretax profit, an increase on last year's proportion of 61 per cent. Current cost earnings attributable to ordinary shareholders of 15p a share give a cover slightly over 1.5 times on dividends. These have been increased for the year from 8.5p to 9.8p — 14p gross — and gives a yield of 4.7 per cent on yesterday's ordinary share price of around 206p.

This in turn gives the shares a fully taxed rating of around 11.8. Analysts are going for a pretax between £70m and £73 this year.

In North America, the food business increased sales and profits, again partly as a result of



Sir James Cleminson: solid performance

changes in management during the year are expected to result in improvements. Generally, Reckitt is looking to move strongly into the household goods market in the United States, where it is now under-represented.

changes in management during the year are expected to result in improvements. Generally, Reckitt is looking to move strongly into the household goods market in the United States, where it is now under-represented.

APV dips but pays more

Engineering contractors positively boomed in the stock market last year, but with international interest rates being led steeply upwards by the United States, those days are history (Sally White writes). APV has kept up its dividend record of paying a little more yet again but the pretax profits are down from £18.5m to £16.4m.

Mr Harry Benson, APV's chairman, warned the half-way stage that no short-term British recovery was in sight and that in the United States, demand for capital goods was falling. Overseas profits were maintained at £10.6m but the profits at home were down by £2.2m for the year.

Outstanding performances from the South African companies give little excitement for 1982 prospects, as South African interest rates are on an upward trend, adding to the existing problems of the falling gold price.

APV is able to increase the dividend because of the strength of the cover — it remains at 2.8 times on an historic basis and is also covered on a CCA basis. The dividend payment is a final 6.8p, making 9.6p, against 9p; earnings per share are down from 40.49p to 37.27p.

Analysts seem to be going for £18m for the present year, which would make for a virtually unchanged rating

"Orders received in the first two months of 1982 show an improvement over 1981, but we do not expect any dramatic increase this year, Mr Benson says. "In the United Kingdom the prospects for sales to the brewery, marine and chemical industries remain depressed, but there are signs of improved business coming from our food and dairy customers".

Over the past couple of years APV has cut back staff in Britain by 25 per cent. Rationalization this year cost around £863,000.

Robert Maxwell's British Printing and Communication Corporation made a dawn raid on book printer and binder Richard Clay yesterday. Grierson, Grant (the broker he used for his dawn raid on BPC) failed to obtain the 14.99 per cent of the company it wanted, but did manage to buy 5.87 per cent.

Mr Maxwell's objective, according to the announcement, is merely to acquire the stake for investment purposes; he told Richard Clay the same, although the company was still understandably a little nervous immediately after the event.

The price offered was 65p ex-dividend but, given Clay's assets per share of 153p, there was competition in the market to buy any shares on offer, taking the price up to 67p. Only last week Clay announced figures that indicated it had turned the corner. There was a pre-tax loss of £945,000 for the year, after a profit of £581,000, but exceptional debits were £787,000, and the group is trading profitably this year.

INTERNATIONAL



JAPAN

Japan's steel exports fell 2.3 per cent in February from February 1981 to 2.2 million metric tons on a shipment basis. The decline continued a steady year-on-year fall for Japan's steel exports, hurt by weak economies abroad and increasing competition from rising steelmaking countries such as South Korea. In 1981, Japan's steel exports fell 4.4 per cent from 1980.

● Tokyo plans to promote cooperation with the United States in high-technology research to help ease trade friction. Under a plan drafted by the Ministry of International Trade and Industry, Japan would allow United States concerns to take part in government-backed projects.

● Production at Japan's mines and factories went up 3.3 per cent in February from a year before, mainly because of continuously strong output of electronic consumer products. The mining and industrial production index stood at 144.5 in the month (1975=100). The pace of increase, however, was a little slower than a revised 3.5 per cent in January.

CANADA

Gulf Canada, a unit of Gulf Oil, will spend £7,000m over the next five years on capital projects and exploration.

● Measures to combat the mounting closures of Western Canadian oil wells were announced this week, by Mr Marc Lalonde, Energy Minister.

He was commenting on the anomaly that has arisen due to an unchanged oil import subsidy while import prices fall.

WEST GERMANY

West German energy consumption will probably fall by around 1 per cent to around 370m tonnes of coal equivalent although gross domestic product is likely to expand by about 1 per cent in volume. Demand for oil products will probably decline less strongly than in the past two years.

SOUTH KOREA

Spurred by domestic and overseas demands, South Korea's industrial production index, seasonally adjusted, rebounded in February to 238.5, up 2 per cent from January, and up 8.3 per cent from a year ago.

BOOKER MCCONNELL

Payout up as profits recover

After a decline in profits at the half-way stage Booker McConnell, the diversified engineering, foods and shipping group, raised pretax profits by 14 per cent to £17.3m in the year to December, on turnover up from £84m to £93.3m.

Losses in the group's engineering division were cut from £1.3m to £900,000 and despite continuing problems at Fletcher and Stewart, Mr Michael Caine, chairman, said he expected to see the division back in profit this year. But the bulk of the group's £6m closure costs came from that division.

There has been a 20 per cent cut in the workforce of the engineering division from 4,500 to about 3,500, with a further 100 job losses shortly at Fletcher and Stewart.

A strong second half recovery in the shipping division after first half losses of £396,000 due largely to the

seamen's strike produced profits of £100,000 against £1.4m, although the recession in Caribbean trade continues to make the outlook uncertain.

The food distribution division benefited from past rationalization with profits up by 42 per cent to £5.36m despite depressed consumer demand while the agriculture division boosted profits by 52 per cent to £1.97m helped by the successes of the Ibec and Arbor Acres subsidiaries.

The final dividend is being raised from 2.66p gross to 3.02p, making an increase of 12 per cent to 4.97p for the year. Earnings per share were 10.2p against 9.48p.

Mr Caine said the group had been encouraged by the performance of a number of divisions and expected the improvement to continue in 1982. In addition to the closure and rationalization costs of £6m, there were above the line redundancy costs of £1.2m, against £846,000. Mr Caine did not rule out further cuts.

The extraordinary items included £1.22m in respect of deficits on disposal of investments, half of which was accounted for by the disposal of a former subsidiary in Malawi, in line with the

policy of curtailing its overseas trading activities.

Other divisions of the group increasing profits were health products, up from £2.89m to £2.98m, spirits and liqueurs, 9 per cent up at £3.5m, and authors (the group owns the royalty rights to Agatha Christie books, among others), up 19 per cent at £300,000.

The shares rose 4p to 70p, where they yield 6.6 per cent.

DREAMLAND

Fall into red

Depressed demand in Britain for electric blankets pushed Dreamland Electrical Appliances into the red last year despite a rise in exports.

The group, Europe's largest manufacturer of electric blankets, lost £252,000 before tax last year, compared with pretax profits the year before of £827,000. The final dividend has been passed, leaving the year's payment at 0.7p gross against 2.42p gross and the shares' slipped 5p to 18p. Half-year losses were £793,000 and not unexpected because of the seasonal nature of sales.

Trade customers in the

United Kingdom remained reluctant to invest in out of season stocks because of high interest rates. The normal level of sales for the last quarter was not maintained as mild weather in October and November and falling expectations of a recovery in consumer demand took their toll. The severe weather in December, however, was too late to affect results and any upturn in demand was satisfied by trade stocks.

Exports now contribute 24 per cent of turnover and group sales in the period slumped to £8.9m from £11.24m. At the trading level profits were hit by higher interest charges and redundancy costs. The loss per share comes out at 1.37p against earnings of 6.7p last time.

Sales overseas grow steadily in The Netherlands, Belgium and South Africa. Italy is the next area for examination with stencil products to be made for a leading manufacturer. In Australia a licensing agreement is being pursued.

Dreamland believes that with the cost controls of the last 18 months, together with its brand leadership, a return to profits is not far off.

BIDS AND DEALS

Contracts have been exchanged for the sale by Norfolk Capital a subsidiary of the Kensington Fairway Inn, London to the Rabheru Group of companies. The price is £1.2m cash on completion, which is to take place next month.

The Tootal Group is to sell 49.9 per cent of its equity holding in Bradmill Industries in Australia and

other Australian assets to a subsidiary of Bruck (Australia). Brint Investments, 23 per cent controlled by Burnett and Hallamshire, taking a share stake in Australia's Moskharra minerals, which owns coal reserves in South Australia's Arkaroola Basin. Turrit, of Australia has purchased Value Engineering (VA) by a new company which will be a wholly-owned subsidiary of Turrit. The price will be based on average pre-tax profit of the Value

business for three years to June 30, 1983, and is about \$900,000 cash (about £530,000).

Value, with a head office in Perth, Western Australia, provides technical support services particularly in the mining, oil and chemical industries.

Mr John Biffen, the Trade Secretary, is not a member of the British Steel and the Round Oak Steelworks to the Monopolies and Mergers Commission.

LATEST RESULTS

Company	Sales	Profits	Earnings	Dividend	Pay date	Year's total
£m	£m	£m	per share	pence		
APV (F)	263(282)	16.3(18.5)	37.27(40.49)	6.8(6.2)	19/5	9.6(9.3)
American Tel. (F)	3,323(1.3)	2,362(2.28)	1.5(1.4)	2.2(2.1)	—	2.2(2.1)
Barnes Stone (F)	39,530(2)	2,651(2.39)	6,681(7.57)	0.9(0.8)	—	1.7(1.6)
C. R. Besser (F)	18,312(5)	1,641(1.8)	—	2.7(2.4)	—	—
Reckitt & Colman (F)	933(834)	17,215(1)	10,219(48)	2.1(1.8)	—	3.5(3.2)
British Aero. (F)	1,662(1,423)	70,852(8)	35,533(5)	4.8(—)	—	7.8(—)
Cape Ind. (F)	218,325(17)	2,182(2.4)	7,177(7)	1.7(1.3)	—	5.6(1.2)
Charterhall (F)	0.55(0.69)	0.05(0.08)	0.15(0.24)	—	—	—
Deauville (F)	24,882(31)	2,022(58)	—	3(3)	15/5	5.7(5.7)
James Dickie (F)	4,124(58)	0,029(0.587)	3,822(3)	1.5(1.5)	—	3.3(3.3)
Dreamland (F)	8,901(24)	0.25(0.55)	1,376(7.6)	—	—	0.8(1.7)
Enesa (F)	1,781(35)	1,800(15)	10,841(10.62)	3(2.75)	—	—
Ferry Pickering (F)	4,314(103)	0.58(0.55)	3,333(3)	0.9(0.9)	—	—
Grimston Holdings (F)	58,354(7)	1,041(1.4)	7,201(24)	3(3)	—	4.5(4.5)
Home Counties (F)	10,581(10.57)	0.045(0.4)	0.77(7.47)	—	25/5	5(5.6)
Kleinwort Benson (F)	16,181(18.5)	21,842(2.8)	39(8)	7(6)	—	4.7(4.6)
Lambert Howarth (F)	70,681(1)	0.62(0.41)	14,516(1)	3.6(3.6)	—	4.4(1.4)
A. & J. Quick (F)	79,681(1)	0.048(0.17)	—	0.8(0.8)	—	—
Reckitt & Colman (F)	827(1728)	68,353(1)	31,121(74)	6(5)	8/7	9.6(8.5)
Rohan Group (F)	29,772(29.7)	4,023(71)	46,524(5.87)	6(5.7)	—	11.5(10.8)
Spiras-Sarce (F)	42,641(74)	7,356(12)	—	3(2.7)	—	4.7(4.4)
Standard Chartered (F)	—	260(232)	156,112(5.8)	23(20.5)	26/5	37(32.5)
Sterling Credit (F)	—	0.7(1.48bc)	0.27(10.55bc)	—	—	—
Wolstenholme Bank (F)	15.9(14.66)	1.31(1.18)	17,318(2)	3.7(3.2)	—	8.2(5.7)

Dividends in this table are shown net of tax on dividend per share. Earnings in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.426. Profits are shown pretax and earnings are net. a=Adjusted for scrip issue, b=Loss, c=For 9 months, d=After tax.



Schroders

The Earl of Airie, Chairman of Schroders plc, reports on 1981.

The disclosed consolidated profit after taxation of the Group increased by 78 per cent to a record £14,714,000, compared with £8,230,000 in 1980. This result includes capital profits of £6,684,000, realised mainly by our investment holding companies. The Directors are recommending the payment of a final dividend of 10.5p per share which, together with the payment made last October, makes a total of 13.5p per share, representing an increase of 28 per cent over 1980.

Consolidated profits of J. Henry Schroder Wagg & Co. Limited and its subsidiaries were again higher than those for the previous year. The banking division had an active year despite the adverse economic environment and the volatility of interest and exchange rates throughout the period. In the investment division funds under management again increased. The corporate finance division enjoyed a high level of activity in both the domestic and international markets and acted for an encouraging number of new clients. Schroder Leasing Limited attracted a satisfactory level of new business despite an extremely competitive market and again made a significant contribution to Group profits. Schroder Life Assurance Limited has continued to expand its business vigorously and in the light of this its capital has been increased to £4 million.

Profits of our United States companies reached a record level. An increase in net interest earnings, together with substantial growth in fee and commission income and in trust revenue, more than counterbalanced modest losses on securities trading and investment management, lower foreign exchange dealing profits and higher operating costs. The improvement in net interest earnings was achieved despite a decision early in the year to limit loan growth in view of the uncertain economic environment. Corporate finance and investment banking activities expanded significantly.

J. Henry Schroder Bank A.G. in Zurich continued to make a material contribution to Group profits and its banking and investment divisions both expanded their business.

In Australia the Schroder Darling Group earned record profits in its financial year ended 30th June, 1981, but owing to difficult market conditions earnings during the six months to 31st December, 1981 were materially lower than those for the corresponding period of the previous year.

In the Far East we increased our shareholding in Singapore International Merchant Bankers Limited to 49 per cent and both this company and Schroders & Chartered Limited in Hong Kong achieved record earnings.

We are maintaining our activities in Latin America at a level consistent with prudent and profitable operations and our Brazilian associate enjoyed a particularly good year. A further increase in profit was recorded by our Middle East interests.

While some progress has been made in the battle against inflation, the adverse effects of recession are becoming increasingly severe and there is a clear need for a material reduction in interest rates in order to restore business confidence. So long as the United States continues to pursue its present tight monetary policy, combined with large budget deficits, this will be all the more difficult to achieve and in these circumstances nervous and volatile conditions will remain a feature of financial markets.

Against this unsettled background the banking system has continued to suffer from an excess of liquidity and low interest margins despite the clearly worsening financial position of a number of major borrowers. In the light of this we have been pursuing a policy of increasing the proportion of our capital resources devoted to portfolio investment. Some of the results of this policy can be seen in this year's figures which include substantial capital profits made by our investment holding companies. It is our intention to continue this policy though it would be imprudent to expect profits of this order of magnitude to be repeated regularly in future years.

It is most gratifying that in a year that has been difficult for almost everybody we have achieved record profits not only at Group level, but also in each of the principal areas of our business. This underlines once again the dedication and skills of the team that we have assembled around the world.

Group Companies, Associates and Representative Offices in: Argentina, Australia, Bermuda, Brazil, Canada, Cayman Islands, Colombia, France, Germany, Hong Kong, Japan, Lebanon, Saudi Arabia, Singapore, Switzerland, United Kingdom and United States of America.

If you would like a copy of the Report and Accounts, please write to: The Secretary, Schroders plc, 120 Cheapside, London EC2V 6DS.

"A year of vigorous development for the group"

Neil Mills, Chairman

Year ended 31 December	1981	1980
Revenue	£168.8m	£135.1m
Profit before tax and extraordinary items	£56.4m	£41.6m
Earnings for the year	£30.0m	£20.9m
Earnings per ordinary share	13.4p	10.1p
Dividends per ordinary share	6.0p	5.0p



Sedgwick

International Insurance and Reinsurance Brokers

55 شارع الامير

Steetley

'A good performance in the face of adverse conditions'



The Lord Boardman
Chairman

Minerals extraction and processing, the production of construction materials, refractories and chemicals, plant engineering and distribution of chemicals, industrial and electrical supplies.

Results for the year 1981

	1981 £m	1980 £m
Turnover		
UK including exports	203.7	195.0
North America	102.5	65.9
Australia	59.5	44.8
Western Europe	34.7	38.8
Middle East	2.0	1.2
	402.4	345.7
Surplus before tax		
UK including exports	13.6	15.9
North America	6.5	5.0
Australia	4.1	2.5
Western Europe	1.9	1.6
Middle East	0.3	0.2
	26.4	25.2
Net interest payable	(9.1)	(7.0)
	17.3	18.2
Net profit after taxation attributable to ordinary shareholders	9.1	14.5
Capital employed	228.1	205.6
Capital expenditure (including acquisitions)	27.4	18.1
Net earnings per ordinary share	15.51p	26.12p
Ordinary dividend	10.5p	10.5p
Number of employees	8081	8236

Copies of the annual report are available on request.



STEETLEY
resources for the world's industry

The Steetley plc, Gateford Hill, Worksop,
Nottinghamshire, England, S81 8AF.

An abridgement of the annual review by
Mr. J. Ogilvie Thompson, chairman of Anglo American
Gold Investment Company Limited.

AMGOLD

**"While the price may languish in the near future,
gold's ultimate role remains unchallenged"**

**In the meantime there are grounds for believing that gold will regain its importance
among other forms of wealth**

The dollar price of gold declined more or less continuously throughout 1981, confirming the trend that was established during the latter half of 1980. As the financial year opened, the gold price stood at \$470 per ounce, but it decreased by 22.8 per cent to \$363 at the year end. Over calendar 1981 the average price was \$460, some 25 per cent below 1980's average price. The impact on the industry of this substantial fall in the dollar price of gold was cushioned by the average depreciation of the rand against the dollar of 10.6 per cent, so that the rand price received by the industry was \$400 per ounce compared with \$477 in 1980 and \$258 in 1979. Consequently, neither the gold mining industry, nor the company, repeated the spectacular results achieved in the previous period. Anglo's equity earnings of £246.3 million were 21.8 per cent below the record level of the financial year to February 1981. However, the company's profits, while only about three-quarters of the previous year's, were still almost double those achieved in 1980. As foreshadowed last year, a higher proportion of earnings was distributed so that dividends totalling 1 000 cents were declared, a reduction of only 13 per cent on the previous year.

Gold is clear that economic and financial influences dominated the gold market during the period under review, completely overshadowing disturbing political events which included, for example, the assassination of President Sadat, continued tension in the Middle East and the Polish crisis with all its adverse implications for east-west détente. The intrinsic effects of the non-political factors can be seen by taking a broad perspective of developments over the past 10 years. Over this decade the price of gold increased sevenfold in real terms as a result of sharp adjustments to posted prices in 1973-4 and 1979-80. These events in themselves helped to take the gold price to new peaks in 1974 and 1980. However, below the first oil price shock, and in the intervening years, the oil price remained on a relatively stable or slightly declining trend. In most of these years conditions have been favourable for gold, either for fabrication usage or investment purposes. This was so because of accelerating economic growth in the OECD countries against a background of a weakening real oil price, with inflation within politically tolerable levels (as in 1973-4 and 1979-80). Only in 1974-5 was there a combination of a falling real oil price and deep economic recession, together with an eventual rise in real interest rates, offset from a substantially negative position. In this period the gold price fell to its relative low of \$103 in September 1976, but the economic adjustment prior to that, and comparatively accommodating official policies, led to a sharp recovery from 1976-9.

The most recent phase has been very different. Although industrial production in the OECD area since 1979 has not decreased nearly as much as it did in 1975-6, stagnation has become the crucial issue. The beneficial impact of another decline in the real oil price, which reflects on this occasion the loosening of the previously strong link between economic activity and energy consumption, could, in other circumstances, have led by now to a resurgence of real growth. However, in this episode much more determined anti-inflationary policies have been pursued, especially in the United States, and the weak recovery in output has not been maintained. While real growth in GNP remained marginally positive on average during these past two years, the slowdown in wealth creation, the reduced Opec surplus and the conspicuously attractive returns on financial assets were hardly conducive to investment in commodities, including precious metals and gold in particular.

Yet despite this increasingly hostile environment, which dampened speculative activity and encouraged bearish positions on the futures markets, approximately the same physical quantity of gold was absorbed in 1981 as in 1980. While prices were generally declining, the average dollar price was nevertheless 50 per cent higher than in 1979. But total supply was much less. Furthermore, in comparing 1981 with the previous year's out-turn, the underlying improvement in the statistical position is seen in the reaction of flows of scrap gold on the supply side, and jewellery fabrication on the demand side, to the lower price. Preliminary estimates are that the scrap fall in

secondary recovery, given a slight reduction in mine production, compensated to a considerable extent for the surge in sales from the communist bloc. The broadly similar total supply was absorbed largely because the demand from the jewellery industry is thought to have almost doubled from the 1980 low, although other fabrication usage remained roughly the same. Official for official coins improved somewhat as Kruggerand sales absorbed 3 559 518 ounces compared with 3 142 500 ounces in the previous year. Central banks apparently remained net buyers of gold, although on a reduced scale, and the major drop occurred in the area of net hoarding and investment.

In assessing the outlook for the gold market, it appears that supplies are likely to remain relatively tight at around 1981 levels, allowing for the maintenance of strong Russian sales but excluding the possibility of swap transactions from this source. One must assume also that major central banks in the West and the IMF will abstain from selling. This seems to accord with the attitude expressed by the majority of members of the US Gold Commission and authoritative international opinion. Indeed, the distribution of monetary gold holdings is still very uneven. In the light of this scenario, the price will be determined largely by the impact of fabrication and investment demand.

Persistence by the US Administration to finance the mounting budget deficit without excessive money creation will mean a further reduction in inflation, and the maintenance of relatively high real interest rates. The technical and other difficulties that this significant readjustment, with its inevitably delayed 'supply-side' response, implies for the US and European economies are well known and are the subject of intense debate. It could be that success will be secured in the longer term if Western electorates perceive this to be to their advantage. In one sense, such an outcome is not propitious for gold. But to the extent that it will place the Western economies back on the path of sustained growth, it will have positive effects on fabrication demand and result ultimately in lower real interest rates which should make gold more attractive as an investment medium.

However, success is by no means certain and political strains are becoming more evident. In any case, if past patterns are a guide, some improvement in growth and a less buoyant dollar can be expected later this year, although a permanent abatement of inflation may require structural adjustments of much longer duration. Policy options are complex and confused but it is not unrealistic to hope that present conditions will not remain as difficult for the gold market. While the price may languish in the near future, gold's ultimate role remains unchallenged, irrespective of arguments for or against any return to a gold standard. In a world likely to be marked by political, economic and financial uncertainties, there are grounds for believing that gold will regain its importance among other forms of wealth.

Conclusion

The rising gold price over the last decade led the mining industry into embarking on substantial capital expenditure as it brought into play low-grade ores of one both within and outside current lease areas so that the lives of many of the mines have been prolonged. However, the United States has continued to pursue tight monetary policies in its endeavours to reduce the rate of inflation so that the gold price is presently being subjected to tremendous pressures. The lower gold price will call for regular review of capital expenditure programmes, continued attention to working costs and productivity and, wherever possible, an increase in the grade of ore mined. The average rand price of gold so far this year is \$263 per ounce compared with \$400 for the whole of last year so that with continuing inflation the combined impact on profits and dividends is self-evident.

It is to be hoped that the problem of world-wide inflation will at least partly be solved so that interest rates can come down and satisfactory economic growth can resume. In this event I believe that stability will return to the gold market and confidence will be restored in its ultimate investment medium.

The Annual General Meeting will be held in Johannesburg on April 23 1982. Copies of the annual report may be obtained from the London Office at 40 Holborn Viaduct, London EC1P 1AJ or from the Office of the United Kingdom Transfer Secretaries, Charter Consolidated PLC, P.O. Box 102, Charter House, Park Street, Ashford, Kent TN24 8EQ.

KLEINWORT, BENSON

Profit down as bullion dealing slips

Lower bullion dealing levels from the exceptional heights of the previous year have led to a small drop in profits at the City's biggest merchant bank, Kleinwort, Benson, Lonsdale. After tax and transfer to hidden reserves, profits are down from £22.9m to £21.7m in 1981.

The 1980 profits have been restated upwards from £19m to allow for a new treatment of stock relief, whereby tax is no longer provided for United Kingdom stock relief arising in the year.

Kleinwort does not separately identify profits of Sharps, Pixley group, the bullion dealing operation, but profits were well down because of lower activity in the gold market.

The investment management side did well, as did corporate finance, where Kleinwort handled the British Aerospace and Cable and Wireless flotations. Kleinwort draws something under half of gross revenues from fee income.

The balance sheet, which contracted marginally in the second half of 1981, shows a rise from £3,100m to £3,600m during the year. Some lending business was turned away because of low margins but there were signs that the squeeze on margins had stopped, Mr Brooks said. Advances rose from £738m to £974m.

On the subject of hidden reserves, where Morgan

Grenfell recently came out in favour of disclosure, Mr Brooks said: "If everybody else disclosed, we probably would not be unhappy to."

CH BEAZER

Expansion call

C H Beazer, the Bath-based property development group, is calling on shareholders for £2.9m through a 6 for 25 rights issue at 125p per share to expand its housebuilding and property activities.

The group raised pre-tax profits from £1.6m to £1.65m in the six months to December, but this was after inclusion of a net contribution of £151,000 although the 1980 figures included £393,000 from sale of assets from the recently acquired Westbrick Products. Interim dividend is raised from 3.43p to 3.83p per share gross.

Expansion of the group will be by both organic growth and suitable acquisitions, the directors say, and the additional capital will strengthen the company's capital base.

Conditions in the group's property activities continues to be extremely competitive, the directors said, but the wide spread of operations there should be an increased contribution from this division at the year end.

The building side of the group continues to improve, with the Westbrick acquisition proving a useful addition, and there are definite signs that the worst is now over in the engineering industry, say the directors.

The directors are forecasting dividends totalling 11.2p in the year to June 1982.

Beazer shares slipped 3p to 154p at the latest prices.

● **Spirax Sarco Engineering:** Dividend 4.286p gross (6.286p). Turnover for 1981 was £42.8m (£41.7m). Trading profit £8.2m (£7.4m) including interest receivable. £872,000 (£188,000). Pretax profit £7.5m (£5.2). Chairman said group saw some signs of slight improvement in the UK in the second half. With few exceptions, trading conditions in the other parts of the world remain depressed.

Early turnover reached about 2.56m shares.

Prices were higher in moderate trading on American Stock Exchange issues.

WALL STREET

New York, March 30. — Prices opened slightly higher in active trading on the New York Stock Exchange.

The Dow Jones Industrial average was ahead by 0.09 of a point to 823.97 shortly after the market opened.

Advances outnumbered declines by 318 to 269 among the 971 issues crossing the tape.

The stock market picked up a little steam in late trading to close mixed on Monday after drifting in a narrow range most of the day as traders hoped for an early "bottoming out" of the recession and lower interest rates. Trading was the slowest in more than six weeks.

HOME COUNTIES

Ads fall-off

A fall in advertising revenue hit trading at Home Counties Newspapers, whose publications include the Herts Advertiser and Thame Gazette — in common with others in the industry last year.

Pretax profits fell to £45,000 in the year to January 2, compared with £403,000 last time. The group is cutting the final dividend to 4.6p gross, from 6.78p last time, making the total payment lower at 7.14p compared with 9.2p gross and the group's shares were unchanged at 58p yesterday.

Redundancy costs of £162,000 cover reductions in the production workforce which took place in February and the management hopes the savings made will be as substantial as expected although no benefits have yet shown through.

Mr William Gibbs, chairman, says advertising in all sectors, particularly situations vacant, showed a decline last year.

He adds there have been a few signs of an improvement in advertising since the year end but nothing firm enough to base any long term recovery. "It depends entirely on what is happening in the economy but I am in no position to forecast," he said.

Group turnover remained static at £10.5m in the period. Investment income was £18,000 and interest received was £13,000 against £73,000. Extraordinary costs took £10,000 leaving earnings per share down at 0.77p compared with 1.47p. At a current cost level pretax losses were £175,000 compared with profits of £162,000.

GRAMPIAN

Mixed fortunes

Gramplan Holdings, a Scottish conglomerate, reported mixed fortunes from its industrial and consumer goods divisions last year but overall profits were depressed.

Pretax profits in the year to December are down at £1m compared with £1.44m last time in turnover lower by £6.4m at £58.3m. However, the final dividend has been held at 4.2p gross making a total of 6.42p gross and the shares rose a 1p yesterday to 61p.

The industrial division, which includes transport construction and plant hire activities, saw trading profits halved to £945,000 compared with £1.8m last time.

But the consumer division, which in 1980 returned profits of only £97,000 compared with £865,000 the previous year, sprang back with profits of £533,000.

BAMBERS STORES

Winter ills

Bambers Stores, the clothing retailer and manufacturer, blames the extreme winter weather and the recession for the squeeze on profits last year.

Pretax profits fell to £2.65m in the year to February 6 compared with £4.4m last time on sales that climbed by £9m to £39.5m. At the trading level profits were down to £4.1m against £5.4m. Property sales, excluding closure costs, added £1.36m, but interest charges at a similar level of £1.7m knocked pretax profits.

Mr Sidney Marks, the chairman, says that operating margins have been significantly reduced because of the recession.

● The profit of Riggs National Bank, reported on March 27, should have read \$24.35m for all of last year, an increase of \$11,000 over the previous year.

● British consulting engineers are likely to be credited with some £487m of earnings from work overseas for 1981. An incorrect total of £46.9m worth of work in hand was mentioned on March 23.

Base Lending Rates

ABN Bank	13%
Barclays	13%
BCCI	13%
Consolidated Crds.	13%
C. Hoare & Co	13%
Lloyds Bank	13%
Midland Bank	13%
Nat Westminster	13%
TSB	13%
Williams & Glyn's	13%

* 7 day deposits on sums of £10,000 up to £250,000 11%
£250,000 and over 12%

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 9EB Telephone 01-621 1212

The Over-the-Counter Market

1981/82	High	Low	Company	Price	Chgs	Divid	Yld	Actual	P/E	5yly	Taxed
129	100	Alas Brit Ind CULS	128	—	10.0	7.8	—	—	—	—	—
75	62	Aussurg Group	73	—	6.4	11.6	16.0	—	—	—	—
51	33	Armstrong & Rhodes	45	—	4.3	9.6	3.8	8.5	—	—	—
205	187	Bardon Hill	199	+1	9.7	4.9	9.7	11.8	—	—	—
107	100	CCL 11% Conv Pref	107	—	15.7	14.7	—	—	—	—	—
104	62	Deborah Services	62	-1	6.0	9.7	3.1	5.8	—	—	—
131	97	Frank Horsell	126	—	6.4	5.1	11.4	23.3	—	—	—
83	39	Frederick Parker	77	—	6.4	8.3	3.9	7.5	—	—	—
78	46	George Blair	53	—	—	—	—	—	—	—	—
102	93	Ind Prec Castings	95	-1	7.3	7.7	6.8	10.3	—	—	—
109	100	Isis Conv Pref	108	—	15.7	14.5	—	—	—	—	—
113	94	Jackson Group	97	—	7.0	7.2	3.1	6.9	—	—	—
130	108	James Burrough	116	—	8.7	7.5	8.5	10.6	—	—	—
334	246	Robert Jenkins	246	-2	31.3	12.7	3.4	8.7	—	—	—
64	51	Scruttons	64	—	5.3	8.3	9.8	9.1	—	—	—
222	159	Turkey & Carlisle	159	—	10.7	6.7	5.1	9.5	—	—	—
15	10	Twinklind Ltd	14	—	—	—	—	—	—	—	—
80	66	Uniclock 15% ULS	79	—	15.0	18.9	—	—	—	—	—
44	25	Uniclock Holdings	25	—	3.0	10.2	4.5	7.6	—	—	—
103	73	Walter Alexander	79	—	6.4	8.1	5.2	9.2	—	—	—
263	212	W. S. Yeates	232	+1	14.5	6.3	6.1	12.1	—	—	—

Prices now available on Prestel page 46146

Standard Chartered Bank PLC

1981 RESULTS

The Directors announce the results of Standard Chartered Group for 1981 as follows:

	1981 £ million	1980 £ million
Trading profit	287.0	248.7
Interest on Loan Capital	26.6	16.2
	260.4	232.5
Taxation	101.9	100.4
	158.5	132.1
Minority interests	23.6	23.4
Profit before exceptional and extraordinary items	134.9	108.7
Exceptional and extraordinary items	—	51.4
	134.9	160.1
Dividends	31.9	28.1
Profit retained	103.0	132.0
Earnings per share before exceptional items	156.1p	125.8p

DIVIDEND: The Directors will recommend at the Annual General Meeting on 13th May 1982 a final dividend of 23.2 pence per share, making a total distribution for 1981 of 37.0 pence per share. The final dividend will be paid on 26th May 1982 to shareholders on the Register on 30th April 1982.

BONUS ISSUE: The Directors will recommend at an Extraordinary General Meeting, immediately following the Annual General Meeting on 13th May 1982, a bonus issue of one fully paid ordinary share for every two ordinary shares currently held.

P.J. SPOONER
Secretary

COMMODITIES

COPPER: Higher grade closed standard grade cash, \$250.50; three months cash standard cash, \$250.50; 1980-81; 1981-82; 1982-83; 1983-84; 1984-85; 1985-86; 1986-87; 1987-88; 1988-89; 1989-90; 1990-91; 1991-92; 1992-93; 1993-94; 1994-95; 1995-96; 1996-97; 1997-98; 1998-99; 1999-00; 2000-01; 2001-02; 2002-03; 2003-04; 2004-05; 2005-06; 2006-07; 2007-08; 2008-09; 2009-10; 2010-11; 2011-12; 2012-13; 2013-14; 2014-15; 2015-16; 2016-17; 2017-18; 2018-19; 2019-20; 2020-21; 2021-22; 2022-23; 2023-24; 2024-25; 2025-26; 2026-27; 2027-28; 2028-29; 2029-30; 2030-31; 2031-32; 2032-33; 2033-34; 2034-35; 2035-36; 2036-37; 2037-38; 2038-39; 2039-40; 2040-41; 2041-42; 2042-43; 2043-44; 2044-45; 2045-46; 2046-47; 2047-48; 2048-49; 2049-50; 2050-51; 2051-52; 2052-53; 2053-54; 2054-55; 2055-56; 2056-57; 2057-58; 2058-59; 2059-60; 2060-61; 2061-62; 2062-63; 2063-64; 2064-65; 2065-66; 2066-67; 2067-68; 2068-69; 2069-70; 2070-71; 2071-72; 2072-73; 2073-74; 2074-75; 2075-76; 2076-77; 2077-78; 2078-79; 2079-80; 2080-81; 2081-82; 2082-83; 2083-84; 2084-85; 2085-86; 2086-87; 2087-88; 2088-89; 2089-90; 2090-91; 2091-92; 2092-93; 2093-94; 2094-95; 2095-96; 2096-97; 2097-98; 2098-99; 2099-00; 2100-01; 2101-02; 2102-03; 2103-04; 2104-05; 2105-06; 2106-07; 2107-08; 2108-09; 2109-10; 2110-11; 2111-12; 2112-13; 2113-14; 2114-15; 2115-16; 2116-17; 2117-18; 2118-19; 2119-20; 2120-21; 2121-22; 2122-23; 2123-24; 2124-25; 2125-26; 2126-27; 2127-28; 2128-29;

FOOTBALL

Call for a meeting on 'too harsh' referees

Keith Burkinshaw, the Tottenham Hotspur manager, yesterday appealed for a meeting of football authorities to discuss the game's disciplinary code.

Mr Burkinshaw claimed referees were being too harsh on players only hours after the London derby against Arsenal had produced four bookings and sendings off for Alan Sunderland, of Arsenal, and Chris Hughton of Spurs.

The number of bookings this season has been ridiculous because referees are acting under instructions but we could put things right if football authorities got round a table to discuss the situation," Mr Burkinshaw said.

The game ended 2-2 and Mr Burkinshaw added that years ago the match would have produced only a couple of bookings. It was never dirty.

With sendings off totalling more than a hundred this season and heading for a record, the managers have asked for a meeting with referees and representatives of the Football Association and the Football League to state views similar to Mr Burkinshaw's.

His Tottenham team was involved in a stormy League Cup semi-final with West Bromwich Albion last month in which six players were booked and two sent off.

Both Mr Burkinshaw and Terry Neill, the Arsenal manager, admitted Ray Lewis, the referee, was correct to dismiss Sunderland and Hughton after the first half. Burkinshaw said: "I don't think either of them landed a blow."

Mr Neill's complaint concerned the booking of Stewart Robson for running off the pitch during an Arsenal attack and then returning without permission. "The referee was wrong," he said, "but Stewart doesn't know the meaning of the word," he said. "He was running at 100 miles an hour and just couldn't stop."

Fortunately for Tottenham, Hughton will be available for the



Burkinshaw: 'Number of bookings is ridiculous'.

FA Cup semi final match with Leicester, but he will probably miss the Easter League game with Arsenal at Highbury.

Two goals by Sunderland sent Arsenal in at half-time, but a spirited second half Tottenham revival produced goals for Steve Archibald and Hughton, although Mr Burkinshaw said: "It is two points lost rather than one gained."

Queen's Park Rangers, London's other representatives in Saturday's semi-finals, put themselves in the right frame of mind to meet West Bromwich when

they beat promotion-challenging Sheffield Wednesday 2-0.

With Mike Flanagan scoring after 25 minutes and Simon Stainrod adding a second in the final minute, Rangers easily picked up the three points.

Paul Mariner, the Ipswich Town striker, who scored England's goal in the vital World Cup qualifying match with Hungary at Wembley, starts his comeback this afternoon after an Achilles tendon operation.

The 28-year-old forward is named in a 13-man Ipswich squad for their reserve match at Crystal Palace.

Brooking's winner mesmerises Davies

By Gareth Bowen

Swansea City.....0
West Ham United.....1

After an unbeaten run of nine games which took them back to the top of the first division Swansea City surrendered their home points for the second time in four days. Ipswich Town, their fellow challengers, gave them a lesson or two on Saturday and the instruction continued from West Ham, who merely in the middle of the table.

Trevor Brooking stamped his personality on the game from the kick-off, evading close marking and spraying the ball into the net. Swansea's free kick had sailed past the Swansea goal, but it was worked back by Stewart and Devonshire was available to

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Crashing of bottles was embarrassing

By Rex Bellamy

There was a time at Bromley yesterday when the sound track of the mind insistently hammered out the refrain of those old songs about the green benches standing on the wall, that fell down. Britain in fact, had 15 men in the first round of the British Open championships, sponsored by Audi Cars. But the first round was over and all but one of the 15 men were all beaten and the tenth, Christy Willtrop, was

match point down before beating Magdi Saad of Egypt 9-6, 9-4, 3-2.

Willtrop, aged 18, is based at Walton, near Wakefield, and for irrelevant reasons answers to either "Strapper" or "Snapper". He is Britain's under-23 champion, ranks eighth in England, and may be a better prospect than any of the older players ranked above him. He is a good shot maker and has some ideas and a resiliently combative temperament.

That temperament was useful in yesterday's fifth game between Willtrop and Saad, who failed to clear the ball when playing short, thus conceding let or penalties, and progressed from point to point with labour and some ideas and a resiliently combative temperament.

The nine British players who, earlier, had made minimal 125 claims on the prize fund included the men ranked third, fourth, fifth and sixth in England. All those crashing bottles were becoming embarrassing until Willtrop and Gavin Briars in turn realised what had begun in the eyes of the public. The fifth game, however, the previously talkative 12th seed Lars

Krant, settled down remorselessly to serious business.

The women's championship begins in an hour. There has been comment about the large disparity in prize money: 73.14 per cent for the men and 26.86 for the women. There are two points to be made. First, the women's 34.6 per cent since last year, whereas the men's is unchanged. Secondly, ticket sales repeatedly make it clear that, although women's matches may be more spectacular, the men attract more customers.

This is the first time the championships have been combined in one tournament. Christina Myers, the secretary of the Women's Squash Rackets Association, said: "We get the same as the men at the British under-23 championships, but took six years. Eventually we'd like to narrow the gap here and even close it altogether. But there has been a considerable increase in prize money and we have to be cautious, pragmatic. We do not want to land ourselves with a prize money bill that we couldn't cover. This experiment is not a success."

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RUGBY LEAGUE

Attacks on referees alarms League

By Keith Macklin

In a sport which prides itself on the good behaviour of its supporters, assaults on referees are virtually unknown.

The Rugby League has therefore taken a serious view of a number of recent incidents involving attacks on the men in the middle, and the executive committee will discuss the sudden rash at its meeting in Leeds on Monday.

Last Saturday Kevin Allitt, the Southport referee, was struck in the stomach by a coin as he left the field following the Hunslet v. Halifax game. A week previously the Widnes referee Robin Whitefield was also assaulted.

The Association of English referees, the English Rugby League referees' association, yesterday rejected an English proposal to bring forward the first two international of this year's Australian tour of England.

The proposal, which was being considered by the ARL, was rejected because of a problem over the timing of the tour.

The English Rugby League advised the ARL that the BBC was unable to televise the second international at Wigan on November 14 because of a problem over the timing of the tour.

The ARL chairman, Kevin Humphreys, rejected the proposal because it would leave the Australians with only five games before the opening international at Hull.

The executive committee will also consider, on Monday, the ARL's failure to keep the fixture at Bradford owing to a wholesale crop of injuries.

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IN SHORT

Cricket

The Cricketers' Association will urge its members to support its annual meeting at Edgbaston on April 13, not to put pressure on umpires this summer.

The association's chairman, Chris Gallershall, the Leicestershire batsman, said: "The Cricketers' Association is totally against any action or gesture which will put undue and unnecessary pressure on umpires. All players will make every effort to maintain the traditional standards and status of the game."

Mr Gallershall said: "The TCCB are likely to make every effort to make the game more attractive and to put down a 'disgrace' and unfair attempts to pressure umpires but cricketers' former image could be much more effectively preserved in the eyes of the public if they saw the players themselves making the effort to put their house in order."

The executive committee of the CA will present this resolution to members: "The Cricketers' Association is totally against any action or gesture which will put undue and unnecessary pressure on umpires. All players will make every effort to maintain the traditional standards and status of the game."

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BOWLS

Scot keeps his head

By Gordon Allan

Andy Thompson, the young Scot who is widely supported to add the English indoor championship, sponsored by Lombard North Central, to the outdoor title he won at Worthing last summer, reached the quarter final round at Rugby yesterday.

But he had to cope with a startling recovery by George Hayward, of Paddington, to do so, 21-16.

Edited by Peter Dear

Music with David Bellan.

5.0 As Radio 2. 7.0 Mike Read. 9.0 Simon Bates. 11.30 Dave Lee Travis including 12.30 Newsbeat. 2.0 pm Paul Burnett. 3.30 Steve Wright. 5.0 Peter Powell including 5.0-5.30 The Record Race. 5.30 Newsbeat. 7.0 Radio 1 Mxjibag: Phone-in on 01-580 4411. 8.0 David Jensen. 10.0 John Peel. 12.0 midnight Close.
VHF Radios 1 and 2 5.0 am With Radio 2. 12.0 pm With Radio 1. 12.0-5.0 am With Radio 2.

[illegible]

and VHF 94.9MHz World Service

ISW

[illegible]

ULSTER

As Themes except: Starts 12.00-12.10
Pops Windfalls, 1.20-1.30 Lunchtime,
2.45-3.45 Great Depression, 5.15
Radio, 5.30-5.45 Good Evening Ulster,
6.10-6.35 Good Evening Ulster, 12.35
Glean News, Closedown.

GRAMPIAN

As Themes except: Starts 8.25 First
Morning, 9.30 Film: Story of Jacob and
Joseph (Kath Michell), Bible story,
11.05-11.20 Golf, 1.20-1.30 News,
4.45-5.45 Great Depression, 5.15-5.45
Good Evening, 6.00-6.35 North Tonight,
12.35 News, 12.40 Closedown.

THE SYMBOLS MEAN: † STEREO
* BLACK AND WHITE ‡ REPEAT

Court of Appeals

Court of Appeal

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parties were responsible for the delay, and the respondents could not at any time have brought the delay to an end.

LORD JUSTICE KERR said that the stark issue was whether the parties were to be held to their agreement to arbitrate, where in the same circumstances no action based on the same dispute would unhesitatingly have been struck out.

Unless rigorously compelled by binding authority, his Lordship could not accept that such an extraordinary dictum must follow as a matter of law, when litigation and arbitration were both basically adversarial in nature and both were directed to the common end of doing justice.

Until *Brenner Vulkan*, it would not have occurred to any practitioner, arbitrator or businessman, that the law was powerless in situations such as the present. His Lordship knew from his own knowledge that that decision had been viewed with the greatest concern, not only in the City and the Temple, but also throughout among institutions which had looked to this Court as an important venue for international commercial arbitrations.

A close analysis of *Brenner Vulkan* did not compel the conclusion that arbitration agree-

The ratio of the case, so far as material for present purposes, was that, in the context of negating the possibility of unilateral repudiation by the claimants, both parties to an arbitration to which no other rules applied were under a duty of mutual cooperation.

Cooperation itself required an initiative from one party or the other, such as suggesting or initiating an application to the tribunal. Without such initiative, cooperation could not be a duty which simply existed in the air.

The question must therefore always be: whose duty was it at any time to take the initiative and therefore bring the duty to cooperate into play? In the present case, it was the claimants' duty at all times.

His Lordship's conclusion was that the arbitration agreement was frustrated by the passage of time and by the impossibility which had now supervened of resolving the dispute fairly.

The delay was entirely the fault of the claimants. The respondents' duty to cooperate with the claimants never came into play so as to saddle them with responsibility for the delay.

Leave to appeal to the House of Lords was granted.

Solicitors: Holman Fenwick & Willan; Sinclair, Roche & Temperley.

Your advice and guidance to clients in the drawing up of bequests in our favour is of the utmost importance to our work to educate and rehabilitate Britain's blind people, to help them in their daily life, whoever and wherever they are.

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